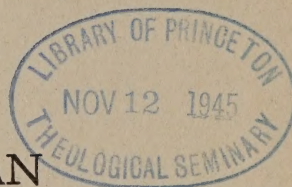


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Christianity and the Cultural Crisis

By
CHARLES DUELL KEAN



Introduction by
REINHOLD NIEBUHR



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Preface

IN THESE DAYS OF UNCERTAINTY there is probably nothing that requires greater clarification than the relationship between Christianity and history. When we consider the problems of the war, attempt to analyze the economic and political confusion of the last decade, and then face the coming issues of employment and political reorganization, it is obvious that modern history is a complex period in which the legacy of the past and the challenge of the future interact. Because we live in a world of change, we are forced to make adjustments to situations as they arise. We are forced into economic and political experiments, which may be either immediate alleviations or become far-reaching revisions. The New Deal, in the prewar years, was such an experiment and contained within it alleviation and something of revision. The next decade will see other experiments, which may be conservative or revolutionary, depending on circumstances. One thing is certain: history and change go together.

It requires no particularly penetrating insight to realize that history and change are inseparable. That is true even in eras of relative cultural stability. If, however, the nature of the present situation reveals not only routine problems of adjustment but a deep-seated crisis of civilization, the inevitable experiments at alleviation and revision of the social scene are tremendously significant. We can no longer simply work out pragmatic answers to specific problems of the day. Rather we must gain an adequate perspective upon history as a whole, with some awareness of the depth, dimensions, and meaning of such symptoms as the war, the depression, and postwar employment.

When there is evidence of a deep-seated crisis of civilization, the relationship of religion to history becomes a contro-

versial subject. It is one today. On one hand there are those who aver that Christianity is exclusively a private matter, having to do only with the attitudes and morals of individuals, and having nothing to say about political and economic matters. Many would go further and declare that the churches are stepping out of their proper sphere when they utter more than the most obvious generalities about social problems. On the other hand there are those who would use Christianity as a specific for the world's illness, as if Christian ethics were applicable in simple and direct fashion to such problems as unemployment and Fascism.

It is the thesis of this book that neither alternative adequately describes the relationship of religion to history, but that the whole problem must be approached from a fundamentally different angle.

The role of religion in history is to provide a frame of reference that transcends history and within which particular social problems may be tackled with perspective. It is the genius of the Christian Gospel that it can provide an orientation for man's life according to which he may face the complex problems of history creatively and constructively. In this sense, no area is beyond the range of religion. At the same time such an orientation does not imply that the application of Christian ethics to particular problems is all that is necessary to remove them. The Christian Gospel, so presented, demands that political and economic questions be understood profoundly. While challenging autonomy on the part of economics, political science, and sociology, the Christian Gospel respects those disciplines for what they are within their proper spheres. While Christians must recognize that no adequate adjustment to contemporary issues is possible if politics and economics are accepted as autonomous areas, subject only to their own laws, they must also realize that no adequate adjustment is possible that neglects to use technical developments in their own spheres.

This book, therefore, is an attempt to present the Christian Gospel as the frame of reference that transcends history and

supplies the perspective with which the historical problems of political economy, industrial relations, postwar employment, and international peace may be tackled. It does not claim to provide the answers for these problems. It does, however, attempt to analyze the realities of the contemporary situation, and to point directions. Perhaps the scheme of the book seems overambitious, but the nature of the times demands such an attempt, and any failure must be ascribed to the author, not to the desirability of the project.

The material in this volume was originally prepared at the request of the Reverend Richard S. M. Emrich, D.D., Professor of Christian Ethics at the Episcopal Theological School, Cambridge, Massachusetts, and the Reverend Howard P. Kellett, Director of Social Service for the Episcopal Diocese of Massachusetts. The section on industrial conditions was given as a paper at a Conference on "The Christian Understanding of Work" at the Episcopal Theological School in July, 1942, while the balance of the book was originally given in lecture form at St. Paul's Cathedral, Boston, in February and March, 1943, under the auspices of the Diocesan Department of Christian Education. Not only did Dr. Emrich and Mr. Kellett arrange for the paper and the lectures, but their interest and encouragement have had much to do with the preparation of the material in book form.

The author acknowledges his debt to the students who participated in the seminar that he conducted at Springfield College, Springfield, Massachusetts, on "Religion, Philosophy, and History" during the fall and winter of 1943-1944. Their reaction to, and their comments upon this material helped him immeasurably to clarify his own thinking. Above all, the author acknowledges his spiritual debt to Professor Reinhold Niebuhr of Union Theological Seminary, New York, whose work has served both to stimulate the author's work and to illuminate his understanding.

Finally, the author expresses his gratitude to Mr. Frank R. Longley, of Springfield, Massachusetts, for continual counsel and encouragement during the preparation of the manu-

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CHARLES D. KEAN

Kirkwood, Missouri
October, 1944

Introduction

WE HAVE MANY social analysts who understand the economic and political roots of our world crisis. There are other students and observers who have some comprehension of the cultural, religious and moral dimensions of the crisis. But there is very little relevance in the wisdom which comes from these two types of analysis. The former tends to deal with world problems purely in terms of social mechanics and to ignore the fact that we are in a crisis because our culture, as well as our social and political institutions, was inadequate for the issues and duties of our day. The latter tends to deal with religious and moral issues as though they had a separate existence and were not organically involved in the whole social complex of life.

It is, I believe, the great merit of Mr. Kean's very able study that he sees the contemporary problem in both of its dimensions and also understands the relation of the various levels of the problem to one another. His book clearly reveals the relevance of the Christian faith to our modern political and international problems because it understands the profundity of that faith and knows it to be something more than a mere insistence that men ought to be moral. It is a faith which comprehends all the tragic contradictions in which man involves himself in his history and yet demands of him that he serve God within the increasing complexities of history. I think this book is an important contribution to both our religious and our social thought and history.

REINHOLD NIEBUHR

Union Theological Seminary

CHAPTER I

The Crisis of Civilization

WILL WORLD WAR II end in an era of tranquillity for most of the peoples of the world, or is it the prelude to a more serious Armageddon? Many persons are asking that question. They hope for the former; yet they fear the latter. The fact that the fear is expressed so often is some indication of a popular consciousness that the issues of the war are not clear-cut, and that its end will leave many unsolved problems. The mingled hope and doubt of so many thoughtful people is an indication that the military conflict is only indirectly related to the underlying issues.

Perhaps it has become trite to say that the present war represents a crisis in modern civilization. Such a comment is too often merely a recognition that the world will not rebound to its prewar shape. It is an expression of uneasy anticipation of the difficulty of adjusting our ways of doing things to strange circumstances. There are both insecurity and uncertainty in the knowledge that governments after the war may have to evolve in previously unknown directions if they are going to be able to function. The prospect of traditional fiscal policies not working as effectively as they once did brings perplexity and confusion. The average man fears having to learn new habits.

If there is no meaning other than the fear of change in the idea of a crisis of civilization, then the expression is trite and partially meaningless. The problem of the present is only emphasized by the uncertainty of things to come. It is not described. Yet the expression, crisis of civilization, may be at times an unconscious indication that the war itself is not an accurate symptom of the cultural situation underlying it. There are certainly many thinkers who declare that the po-

litical nature of World War II both confuses and oversimplifies, at the same time, a more serious condition.

If, when we say we are living in a crisis of civilization, we mean that there are evidences of such a profound cultural dislocation that neither the buttressing of old forms of life nor the creation of new ones will by themselves insure tranquillity, then the phrase is not trite. It is probable that the superficial aspects of our social organization after the war will be much like what we have had before. It is probable that the general picture of our ways of doing things during the next decade will justify neither the fears of conservatives nor the hopes of revolutionaries. It is quite likely that the average man and woman will gradually adapt themselves to slow change. But a crisis in civilization does not necessarily mean that old forms are questioned wholesale and discarded right and left. A crisis has to do with the heart of the people rather than with their manners, for manners generally lag behind attitudes and evolve as the result of them. To say, then, that we may be living at the end of an era in no way means that the familiar aspects of day-by-day living will be radically changed by the pressure of events. Some may be, yet many will not. It does mean that we are living in an age when the soul of the western world is profoundly disturbed.

The war itself, together with the question mark of the postwar world, has brought the contemporary crisis of civilization to a head. If we concentrate our greatest energy on the details of arrangements for the peace and the support of particular political machinery, it is possible that the meaning of the crisis will be lost. In that case, it is more than likely that war will pass temporarily, only to recur in a different and more acute form. If the meaning of the crisis, on the other hand, can be grasped, the result will be, not the final solutions of all the problems of history, but an attitude of mind which can come to grips with the more fundamental issues of history.

Culture during the present crisis in civilization does not provide the orientation of life that enables men to understand

the meaning of history. The result of this lack is that society generally, both nationally and internationally, is forced to face a continual series of problems without a profound perspective. Without a meaningful appreciation of history, men have to meet the attack of circumstances piecemeal. They find themselves confronting a series of external situations, that are connected in a time sequence, but in which they cannot visualize any more fundamental relatedness. Because contemporary culture does not provide this orientation, it cannot provide the dynamics for a constructive attack upon the underlying problems. It remains on the defensive against the symptoms by themselves.

Yet our modern age knows more about history than any previous age. Only during the past half-century has the study of history emerged as a science. Painstaking research into the details of past events, in order to illumine present situations, is relatively recent. Our contemporary knowledge of the relationship of cause and effect in social, political, and economic history gives us a mastery over the material of history which was denied to people of earlier generations. We have an objectivity that was impossible to the chroniclers and the writers of the idealist schools.

The Cult of Objectivity

In spite of the availability of more historical source material than ever before, and the development of scientific techniques for dealing with it objectively, our age lacks an understanding of the meaning of history in its fundamental sense. It is not a question of comparing the orientation of our society with that of previous generations, because the historical situation today is far more complex. Our own mastery of scientific apparatus has betrayed us, so that, in spite of the completeness of our material, we have more difficulty in appreciating the fundamental meaning of the whole. The ideal of objectivity, so fruitful in the natural sciences, has its place in the research aspects of the social sciences. But this ideal makes it difficult for us to appreciate the crisis of

civilization, because we really do not see ourselves as part of the civilization. Therefore, though the war is an external situation that affects our lives and to which we must adjust ourselves, we do not sense its relationship to the cultural dislocation. Before the war, the depression was an external situation which affected our lives and demanded adjustments on our parts, but again it was difficult to grasp its true meaning.

We cannot, however, blame the evolution of the scientific method as applied to the study of history for the failure of our culture to enable men to understand the meaning of history. The method itself has definite usefulness once the area of application has been circumscribed. It is rather that the treatment of history solely as an objective science is symptomatic of the prevailing attitude toward social problems, and therefore it is symptomatic of the cultural dislocation. The fetish of objectivity blinds men so that they are unable to face realistically the fact that they themselves are involved in the problems they have to meet.

It is not easy to appreciate that we are part and parcel of history. The externalization of the problems we meet within history is an aspect of all life, which falls into two categories—the individual and his world—which are related only as subject and object. This division pervades every aspect of life as a dominant cultural factor. Its obvious uses in the physical sciences have been carried over into every possible field. Much of modern psychology, for example, tries to turn man inside out and externalize personality.

The subject-object dichotomy has not been unfruitful. From the fifteenth century until the dawn of the twentieth, its assets appeared largely to outweigh its liabilities. Not only did the division of experience into these two worlds make possible achievements in the natural sciences (biology, geology, chemistry, physics, and so forth) and in technology, but it also contributed to far-reaching political and social developments. It was an element in Anglo-American democracy.

It is not too easy for us to appreciate from our twentieth-century standpoint, in which the technical and scientific re-

sults of this division are clearly seen, that the scientific attitude was the product, not the cause, of a cultural orientation. This mood gradually asserted itself in the world of the mind with Descartes, and in the world of politics and of religion later, and only finally in the world of experimental science, although there were notable achievements in this last field before the nineteenth century. While there have been many varieties of philosophy within this general attitude toward life, and while the particular interests of individual thinkers have been concentrated in turn on every aspect and relationship of experience, the prevailing trend has been to conceive of the objective universe as continuous and complete. Because the vagaries of the individual did not fit very well in a universe so conceived, the subject in the subject-object relationship was either ignored or treated as another object.

We are not concerned with this subject-object dichotomy merely as a development within the history of philosophy, but rather as a cultural norm, which it has come to be. The result of this attitude has been to encourage man to seek mastery or control over the universe within his purview. The hypothesis that the man who knows the facts can control the situation has had its reflections not only in the pure and applied sciences but also in man's conception of his own role in life. What were the success stories of a generation or so past other than a demonstration of this hypothesis? The Horatio Alger books were perhaps more symptomatic of the culture which produced them than many people realized.

With experience sundered into two worlds—one the conscious subject and the other the continuous and complete objective world—there was a lot of force to the creed: "Let the facts speak for themselves." Upon this creed was based the liberal spirit of the nineteenth century, and it is still the liberal spirit of the present day. Only in recent years has it been possible to describe the subject-object dichotomy as contributing to a fundamental cultural dislocation, and only in recent years has the dichotomy been carried to its logical conclusion, so as to embrace all of life in practice as well as in

theory. Today we may realize that the seeds of the eventual dislocation were present from the start, but we cannot discredit the achievements the past attitude made possible. The liberal spirit has always credited its own victories to the belief that what was made objective could be controlled, if not mastered.

During the creative period of modern culture, the liberal spirit was a force for emancipation, particularly in comparison to the final sterility of the medieval cultural synthesis. The liberal spirit, so described, freed men in the Anglo-American world, first, from an authoritative church, and then from an authoritative crown. It contributed to the development of the British Empire. It gave ammunition to the American Revolution. But it eventually raised problems, and the cultural dislocation finally ensued.

Letting the facts speak for themselves cannot do justice to human personality—to the personalities of those who let the facts speak, and to the personalities of those who are included within the facts so speaking. The primacy of economic law over the needs of men and the primacy of Biblical scholarship over traditional religious beliefs are both logical developments of the liberal spirit. The primacy of economic law serves to justify the man who exploits the labor and buying power of others. He can plead that his operations are in conformance with the law of the universe. He neither includes himself within this universe, nor allows room for the personalities of others. He considers them within this universe, in which personality is a surd, only so far as their skills or their financial resources are concerned.

The Externalizing Attitude

It is only a step from such an understanding of the primacy of economic law to regarding wars and depressions as being caused by autonomous and impersonal economic forces, rather than as indications of man's cultural confusion. Such a view may be discounted in practice by individuals who, as a matter of fact, do scheme and make plans; but it has become

a prevailing social attitude according to which the events of history are like the weather. They can be foreseen to some extent. They can be guarded against to some extent. They can even be harnessed for personal advantage to some extent, but they are external and impersonal events for which we have no responsible part.

We cannot understand the meaning of history so long as we externalize its events. Unless we realize that we, ourselves, are within history, and unless we appreciate its problems from the viewpoint of being connected with them, we cannot deal constructively with our contemporary world situation. World War II is not simply an external event which forces its attention upon us. We are part of it. The confusion of political economy, so intimately connected with the war, is not simply an external confusion that we view from outside and try to solve the way we would a difficult puzzle. It is our confusion, and we are part of it. Our own inner uncertainty merges so thoroughly with the world situation that we cannot tell where one ends and the other begins. The mingled hope and doubt with which people view the postwar era is not directed toward external situations, which affect us only because they promise us good or threaten our private lives. We are involved in this evolving postwar world as the threateners as well as the threatened; as the harbingers of the good as well as the readers of the promise.

The mingled hope and doubt with which so many people view the postwar world and the feeling of futility that so many experience today as they try to adjust themselves to circumstances are sufficient indications of a cultural dislocation. Certain basic elements no longer serve to help people come to grips with their problems. The two-world theory offers little illumination. Rather it contributes to confusion. The theory of social progress, the concomitant of the external continuous universe, seems to strike an uncertain note in men's hearts. The result is perplexity and confusion. The fact that specific planning about economic and political details, important though such planning be, is taken to be by itself a facing

of the fundamental issues, is evidence of a profound confusion. When we mistake even such valuable declarations as "The Six Pillars of the Peace" for a realistic facing of the problem of history, or when we confuse social security and re-employment programs with solutions to the fundamental problems of our age, we show that we are incapable of grasping the meaning of our situation. It is not that the effort directed toward designing machinery for international peace and economic stability is wasted. It is badly needed. It is that we mistake means for ends. The situation before us is still external, and in external situations we expect machinery to do the impossible. Our mingled hopes and doubts indicate our suspicion that we may be asking too much of organizational methods and scientific analysis without knowing why. We are treating social situations the way conservation experts tackle a problem of soil erosion, or the way hydrographic authorities plan for floods. Though we know that there is something wrong with the analogy, we do not know what else to do.

The Christian Insight into Culture

The crisis of civilization is the most pressing field for Christian concern today. It is far more important that a penetrating Christian insight into the nature of our modern cultural dislocation be developed than that religious groups sponsor specific peace plans or political programs. When the heart of a civilization is profoundly disquieted, the needs of people cannot be met by mere tinkering with their social machinery. The heart itself needs a new orientation, and nothing else will suffice.

Religion is the heart of culture. A cultural dislocation manifests itself in a feeling that accepted religion is irrelevant and inconsequential. Yet no culture can exist without a heart. If it is in revolt against itself, it creates a synthetic heart—*Blut und Boden* for example—even though no synthetic heart can serve the purpose long without destructive results. If a culture, therefore, is to be reintegrated more accurately, such a reintegration must be religious—not a synthetic religion, but

a new and more vital appreciation of the depths of real religion. The Christian tradition is the heart of contemporary culture, but it is a Christian tradition which has itself come to terms with the prevailing attitude of that culture so that it shares in the dislocation. Such an observation, however, does not discredit the Christian religion necessarily, even though it does impugn the value of much that goes by the name.

If religion is the heart of culture, and if the Christian religion provides potentially the basis for the orientation of life, then the Christian religion itself must be reconsidered, as far as possible, apart from its contemporary manifestations. In other words, the Christian insight needs to be thought of by itself. It must be used as an instrument of criticism and judgment upon modern culture, not simply upon particular abuses within modern culture. What insight, for instance, does Christianity give on the prevailing cultural attitude of externalizing all situations? This is a more important question than asking what insight does Christianity give on a new League of Nations or on worker-management councils, because it deals with the heart, not with surface issues.

The basic Christian insight, emphasized by Jesus—"Which of you by taking thought can add one cubit to his stature?" (Matthew 6:27), or in the parable of the barns (Luke 12:16-21), or in the conversation with Nicodemus (John 3:1-17), to cite but a few examples—is that nothing is completely external. This insight is underlined by Saint Paul (compare Romans 6 and 7 or Galatians 3). It has been underlined again by Augustine and by Luther. It is a far more penetrating insight than the liberal attitude of comparing systems for conformance with a Christian ethical code, because it goes to the heart of the cultural problem.

Much of modern Christianity, however, and certainly the prevailing attitudes of modern culture are out of keeping with this insight. It is in sharp contrast to the subject-object viewpoint on life. Without disputing the theoretical goal of objectivity in areas of scientific observation, it questions the desirability and the possibility of such objectivity in practical

human relations. We cannot, in the light of this insight, arrogate to ourselves a specious disinterestedness in the events of history. They are not external. We are part of them. We are involved in them.

Again, the Christian insight challenges the conception of a complete, continuous universe which we can master or control through knowing the facts. It both questions our ability to know the facts in an objective sense and doubts the validity of the concept of the universe. The empirical method as such is not questioned, but due recognition should be given to discontinuity in experience. The criticism is made on the basis of the judgment of God on the hearts of men. Scientific or philosophic speculation as such does not concern the Christian insight except insofar as the speculation results in evasion of the implications of man's true relationship to the world of which he is a part. In the light of the Christian insight, no theory of universal law can justify a man's seeking mastery or control over his fellow-man, because the insight insists on rationalizations being faced up to for what they are.

Then the Christian insight challenges the concept of progress at its most vulnerable point—its meaning and relative importance. For several generations, western society has taken progress for granted, and the attitude of externalizing all events lent plausibility to this faith. It is easy enough to believe in progress, because this belief allows us both to congratulate ourselves on the high stage of our civilization as compared to that of our forefathers, and to count on the disappearance of our problems through the combined effects of human ingenuity and the passage of time.

The Christian insight goes beneath the surface demonstrations of the theory and recognizes the basic factors involved. Social situations obviously change, and when the changes are viewed as external, achievements and developments are given moral values. Ascribing moral improvement to the history of society costs nothing when the events of that history are external, because one does not have to examine his own heart or evaluate his own relationship to the situation which he so

describes. And once one accepts the theory of progress, he can rationalize his own conduct and that of his group, his class, and his nation with greater ease. But the Christian insight, profoundly appreciated, will not permit men to read history so easily. If situations are not external, wherein does the progress lie? Such a question as "Is my problem better than my father's?" is meaningless, and all the advances of medicine, technology, and the material appurtenances of modern civilization will not give it any meaning. History, read from within, is decidedly less comfortable than when seen objectively.

Jesus said, "Ye shall know the truth, and the truth shall make you free." The prevailing attitude of modern culture—"Ye shall know the facts, and the facts shall give you mastery"—is a terrible perversion of the Christian insight. Jesus' statement can be accepted only on the basis of humility before a truth that involves the observer as well as his universe.

The basic Christian concern today, when our modern culture is dislocated, is with bringing new reality and hence, vitality, to its heart. The unconscious suspicion which the average man has of the tradition of progress, as evidenced by his forebodings over the postwar era, is one more indication of the cultural problem with which Christianity must deal. Christianity can do its part only when it is true to itself—when it proclaims the Gospel. A Pelagian Christianity, with its confidence in man's capacity to solve problems for himself, contributes to the externalizing of events, the attitude which created the problem. Therefore, such Christianity cannot provide a new heart. A religion which is rooted in the Cross, and which places its fundamental trust in God's mercy, approaches the problem from a different angle. In the religion of the Cross nothing is external, because the Cross is the sacrifice of a Christ who avoided self-righteousness by identifying himself with the total situation, with the crucifiers, as well as with the victims of man's injustice. From the perspective of the Cross, the confusion of human affairs is cleared. On the level of history, the problems of peace and industrial

democracy are just as confused as ever in detail, but these problems are no longer external. We are part of them. We are saved from that proud type of objectivity which commits us to the belief that every problem has a perfect answer, which we can find if we try hard enough. We are left with the humility that commits us to the belief that we must do our best with situations in which we are involved under the judgment and mercy of God.

We are in the midst of a crisis of civilization. The crisis cannot be dated. It is epochal. It consists of the fact that the cultural dislocation calls for a new integration which may or may not be provided, in whole or in part. The Christian Gospel contains the insight that can make an honest and realistic Christianity serve as the heart of our culture, and so provide the only constructive answer to the crisis. The Christian insight goes to the fundamental issues involved, and can give men and women an orientation toward life which will equip them to live freely in history, instead of on the defensive against the succession of problems raised by history.

The following chapters are an attempt to justify with this Gospel insight, through reference to contemporary political economy, the indictment which has been brought against modern culture. The issue is far from academic, just as the war is far from academic. It involves not only blood, sweat, and tears, but hopes and fears for the whole of mankind. Men feel that military history in itself will not clarify sufficiently the problems in which they are involved. This book is an attempt to make such a clarification from the point of view that the war is a major symptom of a deeper problem.

Considered first in the succeeding chapters will be the way the evolution of political economy in the Anglo-American tradition contributed to cultural dislocation through its ever increasing emphasis upon economic values. The following chapter will discuss the manifestations of the problem as found in our contemporary relationships to things—property. A consideration of the technological age; machines and man's work, will precede the problem of unemployment, as important a

symptom of the cultural dislocation as the war itself. The discussion continues to an appreciation of the problem of personality in this stage of civilization. And then, in the light of this analysis, the related problems of the world community, the Church and school, and the meaning of social security, will be taken into account.

CHAPTER II

From the Standpoint of History

WHILE NONE OF US PERHAPS takes the position of Alfonso the Wise of Castile, who said, "Had I been present at the creation, I would have given some useful hints for the better ordering of the universe," most of us believe that the affairs of men and nations can stand improvement in the interests of justice and co-operation. We may not know too much about the intricate background of the events that shake our lives, but there are few of us who can look back to the depression or look out at the war-torn world with any degree of happiness. Those of us with adventurous minds seek answers in new and daring experiments for the common good. Others believe many problems would be solved if we could but dispense with innovation and return to well-used paths.

Since ancient times men have set down their views of the ideal world, both in criticism of the world they knew and in suggestion for its improvement. The early Christians contributed a fair share to such literature. It is important to realize that most of the influential writings on world revision were produced in times of social unrest and general insecurity. Plato wrote his *Republic* during the internecine strife that marked the end of the Golden Age of Greece, when the Athens of Pericles was but a memory, and when the struggle of city against city and class against class in the same city was destroying the very genius of the self-governing city-states. Aristotle's *Politics* was written a few years later, in that period when Macedonia had conquered Greece, and its future under military imperialism was difficult to foresee. Many of the early Christian writings came to birth during the period of cruel and unjust persecution under the Roman Empire.

The greatest of them all, Saint Augustine's *City of God*, was the product of that age of upheaval which saw Alaric, the Visigoth, sack Rome; and Theodosius, the Ostrogoth, an Arian Christian, shame of all shames to the good Bishop of Hippo, take the rule in the West.

Scholars may find varying significance in these diversified writings of old, but it is sufficient for us, who are trying to discover Christian implications in, and applications to, contemporary political and economic situations, to observe that men have dreamed most fervently of the world that ought to be when the world which they knew was most difficult. We are not the first to seek a world more favorable to the kind of life we believe men ought to be able to live.

While many people have built air castles so visionary as to defy translation to the world of the everyday, projections of men's thoughts about the world that ought to be have had, in many cases, a profound influence upon the life of succeeding generations. Saint Augustine was wrestling with the world of individual and social corruption which he saw about him, in contrast to the Kingdom of God, but his thought had a direct effect upon the rationale of the later medieval dichotomy of church and empire. The writings of theologians and philosophers have a way of coming down to earth in forms rather dissimilar to what the writers projected.

The dreams that men have had of the world that ought to be and the effect of those dreams upon popular thinking about political economy make a good index to the process by which modern culture externalized all human relationships. While in medieval times in theory man's connection to all social situations was an integral part of his relation to the universe and to his eternal destiny, there was in practice a pronounced trend toward living in two separate and unrelated worlds at once. The rationalistic emphasis of thirteenth-century scholasticism contributed directly to a cultural situation in which men tended to regard all meaningful relationships as subject to objective scrutiny and analysis. According to Saint Thomas Aquinas, man could arrive by the processes

of unaided human reason at all fundamental religious truths. The political criticism of the fourteenth-century nominalists was a logical development of this faith in the capacity of human reason. Political economy began to be viewed as an autonomous field of life, subject to its own laws and logic. The relationship of men to the emerging nation-state began to be seen as an area of practical concern more easily subject to objective analysis than his religious obligations.

The Renaissance made explicit what was already implicit. Focusing man's interest upon that which was immediate and practical, it tended to make man ignore his inner world as relatively inconsequential. Going beyond scholasticism, it considered relationships which could not be scrutinized objectively as unimportant. With the development of empirical philosophy, as against scholastic rationalism, the trend toward externalization moved ahead. It was during the late period of the Renaissance that studies in political economy, which were quite objective, had wide popular reading. The objective attitude toward political thinking, as against the support of specific political theories, which began with Machiavelli's *Il Principe*, developed particularly in England, where the writings of Hobbes, Harrington, and Locke were widely read. From Machiavelli on, the more significant writers on politics took for granted that man's relationship to society was external. What could be more external than a "social contract"? When politics is regarded as an area of life, subject to its own laws, and when economic factors within society, whether of inherited privilege or the control of wealth, are regarded as determinative for politics, man is placed in a relationship to society in which only objective criteria are valid. He conforms to an external world order, or he rises to a position of control in an external world order by understanding its laws and mechanisms.

The Background of Modern Political Economy

The externalization of political and economic activity in the Anglo-American background first becomes clear in the

early seventeenth century. In the course of the War of the Roses, and then during the English Reformation, the English crown rid itself of its two great rivals in medieval times—the feudal barony and the political church, both of which represented a vested economic interest in things as they were. Despite claims of the old aristocracy to perhaps more ancient lineage, most of the new nobility of the Tudor period came from lower social strata. They were rewarded with lands for their services to the crown. According to Professor Charles A. Beard,¹ there were only fifty-nine temporal peers in the last parliament of Queen Elizabeth. As the seventeenth century began, the crown was politically supreme, but it was not economically supreme, because there had grown up during the Tudor period new groups of people. The rural gentry engaged in wool growing and the urban merchants engaged in commerce had both acquired a stake in society without commensurate political power, and the crown was no longer in a position to buy a sufficiently large group of adherents with new domestic land grants, although it did what it could with colonial land grants.

The history of Stuart England is the history of a struggle between the economic power of these new classes and the vested interests of the crown, centering around the crown's attempts to get revenue. By and large, the weight of the established church and the forces of law, order, and the sanctity of the home were thrown to the side of the crown, which was in power, and, naturally enough, the opposition tended to take a contrary line in matters of religion. The party opposing the crown also tended to take a more progressive line in other matters—an example being the commissioning of Comenius to frame a national education program.

From the observation of this early struggle for power in Stuart England, two or three conclusions are germane to the present day. The first is that established institutions, naturally

¹Beard, Charles Austin, and Beard, Mary, *Rise of American Civilization*, Volume I, page 113. New York: The Macmillan Company, 1934.

dependent for their livelihood on things as they are, tend to support the status quo; and the church, as it has always been used since Constantine, serves as the moral cement for any existing social structures. The second observation is that the opposition always takes a more liberal line when it is the opposition than it maintains when it comes to power, because, in opposition, it is appealing for the widest possible support, and therefore aligns itself temporarily with the conflicting groups which have a common enemy. The third is that yesterday's liberals are frequently today's conservatives.

The Harrington-Locke Formula

During this period of struggle there was a man in England named James Harrington who wrote a book, *Oceana*, which set forth his ideals of the world that ought to be. He had ideas of social organization built about rural property, with the size of any holding limited. But Harrington was an Englishman and a practical man, and he evolved a dictum that the world of his day accepted and that had a great deal to do with later developments both in England and in America. Harrington's statement was, "*Economic power is the determining fact in the political state.*" The generation of the revolution did not read him until he dedicated his book to Cromwell, but the next generation did, and so did subsequent generations. Wool growers and merchants found Harrington's description of the world that ought to be tailor-made to fit them. Though Harrington's own interest was directed toward an agrarian basis for wealth in an economically balanced society, the merchants actually were able to make more use of his work than the wool growers. What better justification could they ask for their desire to control the destinies of England and the British dominions than the theory that economic power should dictate political directions? Since they already had economic power, they proceeded to gain the political power to go with it. During the second round of the battle with the crown, after the Restoration, and culminating in the complete and final victory of English wealth in the

"Glorious Revolution" of 1688, Harrington's opinions were translated into actuality.²

Harrington's thesis was liberal and progressive in the days of the divine right of kings. It ceased to be quite that once English mercantilism was in the saddle. Economic determinism, a doctrine frequently ascribed to Karl Marx, was a well-recognized theory for two centuries before Marx, and was applied in a significantly different direction. The doctrine's first important modern author was James Harrington, and through his disciples it dominated English and American political thinking through the nineteenth century and still does today. While I doubt whether many of the executives of the National Association of Manufacturers know much about James Harrington, they nevertheless follow his dictum and believe it to be the ideal truth.

In the generation after Harrington, another thinker began to project his ideas about the world that ought to be. He, too, began in the years before mercantilism was finally victorious, but at the time when he wrote, its victory was more certain. Nevertheless, English economic interests had some troublous, uncertain moments during the days of James II. To their intellectual support came John Locke. When he wrote, the Stuarts were still hoping against hope to continue their system of autocracy. His thesis, expressed in *The Treatises on Government*, that the state is the enemy of freedom, seemed highly progressive.³ Once mercantilism was established, with

²James Harrington was only one of a number of important political thinkers writing in the middle of the seventeenth century. Hobbes is better known, but, while his theories have long been the center of controversy, it is doubtful whether they have had the practical effect that Harrington's have had. Tories might approve of Hobbes, but Whigs respected Harrington. Although administrations changed first one way and then another, Whiggery was in the ascendant during the eighteenth century. Actually, the theory of economic direction of political activity is the one thought of Harrington's to have had much influence.

³See Locke, John, *Treatise on Civil Government*, "Second Treatise on Government," Chapter XI (New York: D. Appleton-Century Company, 1937): "Thirdly the supreme power cannot take from any

Locke as its court philosopher, his thesis was coupled with Harrington's dictum to produce the doctrine of laissez faire, as that doctrine had been commonly understood during the last two and a half centuries of Anglo-American political economy. The freedom to which Locke referred, and which the mercantile party understood as such, was political freedom for economic power. In other words, *economic power should dictate the ends of government, but should not in turn be controlled by government, the basic function of which was to make things easier for the dominant economic interest.* Does this have an unfamiliar sound today?

Harrington and Locke were accepted by the eighteenth-century English-speaking world, although, of course, they did not say the last word on the subject. Nevertheless, the subsequent struggle for power in English-speaking countries tended to take place within the framework these philosophers had established. In English latitudinarianism, the established church was brought under the same principles. It became just as respectable in the new order as it had been in the days of the Stuarts and continued to furnish the moral cement for the status quo. Harrington and Locke were accepted, not because they invented something new, but because they gave significant verbal expression to the desires and ambitions of an important element in society. The two ideas together might be called the Harrington-Locke formula in political economy.

The Formula in American History

Harrington's and Locke's ideas were exported to America at a very early date and were just as influential here as they

man any part of his property without his consent. For the preservation of property being the end of government and that for which men enter into society, it necessarily supposes and requires that people should have property."

And Chapter XVII: "Wherever the power that is put in any hands for the government of the people and the preservation of their properties is applied to other ends, and made use of to impoverish, harass or subdue them . . . there it presently becomes tyranny, whether those that use it are one or many."

had been in England. Since the purpose of this book is to attempt to understand contemporary America, to whose role in the future we, as Americans, may be able to make some contribution, we will follow the application of the theory in the American scene. So let us leave England with William III and the Hanoverians on the throne and cross the Atlantic, to discover that this country, too, was profoundly influenced by the doctrine of economic determinism.

Harrington was popular in seventeenth-century Massachusetts, once a sufficiently strong party of wealth had been established in the Commonwealth. Locke is said to have been the author of *The Fundamental Constitutions of Carolina* (South Carolina), even though his scheme was never fully applied. Harrington and Locke were known throughout the entire thirteen colonies during the eighteenth century, and it was to the ideas of Harrington and Locke—economic determinism and laissez faire—that many of the leaders of the American Revolution appealed, sensing the struggle to be between English mercantilism and American mercantilism. And again we have the same phenomenon of the opposition taking a more liberal line than it really wants in order to broaden the base of its support. The importation of some French ideas into American thinking met no real objection so long as the common enemy was more important than local differences. Thomas Paine, Benjamin Franklin, and the then youthful Jefferson were not quite so committed to the English theories of economic determinism and laissez faire as were many of the others, but that was all right until the war was over. Harrington and Locke, represented in the person of Alexander Hamilton, who knew their works and held to their gospel, predominated in the Constitutional Convention and in the launching of the new government.⁴

⁴Alexander Hamilton personally was perhaps more closely sympathetic with Hobbes than with Harrington and Locke, but in politics he followed their line. *The Federalist* is an expression of the political economy of Harrington and Locke.

For an interesting study of the influence of these two thinkers upon the early development of American institutions, see Parrington,

But history moved on beyond political philosophers' dreams. American mercantilism, as the economically dominant force, died a hard death in the maritime troubles that led to the War of 1812, and America came under the domination of agrarianism, which adhered to a different creed. Mercantilism may well be said to have been buried when Monroe was inaugurated for a second time in 1821, but the Harrington-Locke formula lived on. Represented now by Daniel Webster, who quoted both writers often, the formula found new life in the service of rising American industrialism. Webster's shift in the tariff vote of 1827 meant that he had found new political masters, but still kept the same fundamental political creed. When American agrarianism split during the second Jackson administration, again Harrington and Locke found new exponents among the courtiers of King Cotton. The southern agricultural imperialists of ante-bellum days were quite as staunch in their adherence to the doctrines of economic determinism and laissez faire as the northern merchants had been. They differed with northeastern industrialism in their understanding of the application, because they felt that cotton growing and marketing was the economically dominant interest which should be free to expand as it would, uninhibited by antislavery legislation.

Another dream of the world that ought to be also had repercussions in America. Thomas Paine and Thomas Jefferson not only were able to adapt Harrington and Locke to another and more liberal purpose, as in *Common Sense* and *The Declaration of Independence*, but they drew their fundamental inspiration from another source—Rousseau and other French writers known as the Physiocrats. The theories of these men included a kind of laissez faire doctrine, based this time, not on the concentration of economic wealth, but upon the perfectibility of the natural man. Their result was a faith in a democracy susceptible to the majority will, and elastic

Vernon Louis, *Main Currents in American Thought*, Volume I, "The Colonial Mind." New York: Harcourt, Brace and Company, 1930.

enough to provide for evolutionary growth. Paine forged these theories into an ideological weapon for the Revolutionary War, but in their Jeffersonian interpretation they had their greatest effect.

America after the Revolution was largely an agrarian country, with 80 per cent of its people on the land. Stimulated by fears of fiscal legislation, which would prejudice their stake in the national debt, the great planters of the country made common cause with the mercantile party against the large debtor-class of small farmers. But once the *Constitution* had been accepted and Hamiltonianism was dominant, these two groups pulled apart. Agricultural wealth reacted against a mercantile policy, and, as it was the opposition, it made common cause with the more liberal small-farmer group in the revolution of 1800. In the course of this struggle for power between 1775 and 1800, there was little political recognition given to the man who held no land. Since America was so largely agricultural at the time, the urban little people, without either wealth or numbers, had very little voice.

The blind spot in physiocratic theory, as interpreted by Jefferson, was this lack of recognition of the ordinary city-dweller. Its faith in democratic practices was conditioned by a belief that only association with the soil made man perfectible. Jefferson described his program as "the encouragement of agriculture with commerce as its handmaid."⁵

The alliance between planters and small farmers worked well enough until, in the War of 1812, its victory was finally sealed with the collapse of mercantile opposition. But it could not continue to work during the years that followed. The growth of the American frontier continued to provide for the growth of the small-farmer class—men who, perhaps, had never heard of the Physiocrats, but who accepted their theories. The unworkability of their association with the planters was made finally apparent in the administration of Andrew Jackson, the short-lived triumph of a rough-and-ready agra-

⁵Jefferson, Thomas, *First Inaugural Address*.

rian democracy which was even able to give some recognition to urban little people.

The Webster-Hayne debate marked the emergence into the open of the great struggle for power of the first half of the nineteenth century—the struggle between northeastern industrialism and southern agricultural imperialism, both of which accepted the same fundamental creed in political economy but applied it quite differently. A combination of factors—the sectional nature of American evolution, the Missouri Compromise, which provided an unforeseen result by its formula of balancing free and slave states, plus the legacy of the agrarian victory of 1800–1815—gave the agricultural imperialists a disproportionate weight in American politics until the Civil War, forcing the industrial Northeast to take the role of the liberal opposition. Despite a few minor victories, the Whig party lacked political realism in its appeal to wealth across sectional lines, ignoring the contrasting emphases which Northeast and South had given to the theories of economic determinism and laissez faire. Those theories by themselves, under the circumstances, were not enough to provide for an effective common front. Therefore, the Republican party was formed on the basis of a common opposition between Northeast and Northwest to the power of agricultural imperialism. The economic power of the South was quite as much an obstacle to the western heirs of the Jacksonian tradition—the rough-and-ready application of physiocratic theory—as it was to the industrial Northeast.

The struggle for power was settled in the Civil War with the liquidation of agricultural imperialism and the triumph of American industrialism. This result again demonstrated the same phenomenon which we have observed since the time of the Stuarts, that the opposition, based on economic considerations, failed to continue liberal once it had acceded to power. Fully cognizant of the unworkable nature of the alliance between Northeast and Northwest, the Republican party attempted to seal its victory against the possibility of a Jacksonian revival should there be an alliance of sectional interests

in South and Northwest. That was the purpose of the Reconstruction. It failed to make the South Republican, but it succeeded in the attempt to keep Jacksonianism buried. By the unintended creation of the Solid South, it effectively confused the American political picture, forcing the opposition to discover a new formula around which to rally. The industrialization of sections of the South and West since 1880 completed the confusion. The result is that the Republican party since the Civil War has been dominated generally by a modern and industrial application of the old creed of Harrington and Locke—economic determinism and laissez faire—while great sections of the Democratic party have been dominated by the same thinking on the same grounds. The failure of the Democratic party since the Civil War to make the tariff issue a really effective battleground is a demonstration of this thesis. Opposition elements, confronted with an entirely different task from those of earlier generations, had to form either an effective third party of wide popular appeal, or to capture one of the existing parties from within. Both have been attempted. There has been a succession of third-party protests—the Greenbackers, the Populists, the Bull Moosers, and the Progressives. These have attempted to provide the common and effective front for a united opposition, but in spite of local victories and some real contribution to subsequent legislation, the third-party movement as such has not been successful. Again, the internal setups of both major parties have been attacked from within with some effect, but neither side has really won. Even the victory of the New Deal element within the Democratic party has been vitiated by the fact that, in order to stay in power, it has had to make concessions both to the city machines and to the southern poll-tax bloc.

Despite the fact that the existing political machinery has failed so far to provide an effective scope for the opposition to political and economic domination by industrial power, there has always been such an opposition, and history has continued as the struggle for power. But the social evolution has continued only as reform elements within both parties

have occasionally been able to make a sufficiently effective combination with each other, and such third-party groups as were available, to force through particular measures. It has won some notable successes under Theodore Roosevelt, Woodrow Wilson, and Franklin D. Roosevelt, and in the administration of the last its effectiveness was furthered by the terrific nationwide pressure of the depression.

The dreams of Harrington and Locke have come true, probably not in any sense which they would immediately recognize, but nevertheless quite logically. In the power of American industrial economics, the doctrines of economic determinism and laissez faire have reached the end of their logical development. In the nineteenth century, the theory of "Economic Man," first coined by Adam Smith, gained currency, and it was in the theory of economic man that the Harrington-Locke formula reached its final development as the basis of political economy. Not only was government to be responsive to the needs of economic power, but all human life was swallowed up, so to speak, by economics. It is the Harrington-Locke formula, completed by the economic-man view of humanity, that is dominant in our contemporary world.

The Doctrine of Economic Man

The English political economist, David Ricardo, observing the world in which he lived in the middle of the last century, evolved a system in which man was reduced by mathematical logic to the position of an economic factor. Ricardo's *Principles of Political Economy and Taxation* is the classic work in the field. By the inexorableness of economic law, he showed mathematical bases for wages and employment anticipating "the iron law of wages." To carry out the full implications of his theory, Ricardo suggested that the regulation of the birthrate of the poor, to meet the probable labor demand, was the only sound basis of social security. Writing, as he did, in an industrial age, when machines were more and more taking the place of men, he wrote what he did in full awareness

of what his ideas involved. Ricardo's thinking was popularized in the United States by E. L. Godkin in *The Nation*, and found a ready response here in a nation in which industrialism was politically dominant.

The theory of economic man, as developed by Ricardo, may be regarded as the period at the end of the long sentence written in history by the Harrington-Locke formula. No longer is that formula able to provide the dream for the opposition, as well as for the dominant group, as it had in every major struggle for power from 1688 to 1865. Under the American system of industrial and economic combination, nearly all elements of economic power, while differing from each other in important details, have been able to unite and keep the ranks largely closed against any liberal opposition. Today it is impossible to find any major section of the country's economic power so consciously the victim of the controlling political economy that it will provide the spearhead for the opposition under the old formula in the way American mercantile interests did against England in colonial times, the way the planters did against American mercantilism in the early nineteenth century, and the industrialists did against agricultural imperialism in the issues leading up to the Civil War. The farm movements, which gave promise of providing such leadership during Greenback and Populist days, have two disadvantages today—first, they live in ancient history, still unable to make effective common cause with American labor; and secondly, their own channels of action, in many cases, have been seized by a new big-business type of agriculture, such as Associated Farmers and the American Farm Bureau Federation. These organizations are powerful enough, through the farm bloc in Congress, to get their requirements without having to be the spearhead of the opposition. For a while in the nineties, the western silver-mine operators offered to play the role of opposition, but in more recent years they have found it more efficient and less expensive to make deals through the silver bloc rather than to finance third-party movements. As things have evolved, the revolutionary element

in the Harrington-Locke dream seems to have worked itself out through the triumph of the forces that it served.

Movements of Protest

There have been other significant dreams of the world that ought to be that have had their effect on American thinking, but for the most part these have been so dominated by the desire to right some particular wrong that they have not furnished the force necessary for a major movement in political economy. An example is the abolitionist and humanitarian fervor of the middle nineteenth century, again ringing the changes on the natural rights of man and overflowing into various attempts at communal living, such as Brook Farm and New Harmony. The particular goal of freeing the Negro slaves so dominated this sentiment that it tended to siphon off energy which might have been devoted to the service of principles of broader range. Furthermore, the vicissitudes encountered by the abolitionists led some of the more outstanding of their leaders—Garrison, Parker, Thoreau, and Phillips, and even Emerson to some extent—to take a political position approaching anarchism, which militated against their long-range effectiveness. The result was that, when the Civil War was over and Negro slavery ended, the average abolitionist found his battle over and did not follow through to the logical implications of his own theories. With the exception of Wendell Phillips, they were on the whole untouched by the problem of industrial peonage. It is interesting to realize that many of the crusading voices of the fifties shouted for the blood of the Haymarket prisoners in the eighties. The communal living experiments either foundered on the rocks of disillusionment or just dwindled away. As things developed, the humanitarian dreams of the middle nineteenth century made their cultural contribution in the tradition of American social service and education, rather than in driving principles of political economy. They have left us a legacy which, while contributing something unique and valuable to the American

scene, has inhibited rather than helped the formation of a truly effective liberal opposition.

The last half of the nineteenth century saw the development in America of a forceful movement of political criticism, which had no corresponding element of economic criticism. It accepted the Manchester School application to nineteenth-century economics of the Harrington-Locke doctrines but ignored the perfectly logical carry-over into politics, particularly into the behavior of individual politicians, of these same principles. The critics went far enough to include within their fire the vulgar display by which many of those who had attained economic power showed the world that they had it. Actually the criticism was not penetrating, because it was partially an attempt to judge a new development by ancient criteria, without any attention to the economic bases of that new development. The work of E. L. Godkin and George William Curtis and others sparked the movement for civil service reform, but they did not discover why civil servants went awry. This nineteenth-century movement toward political criticism left us a valuable legacy, perhaps, in ideals for public service and in generally improved American manners, but it also resulted in the Ivy Lee handling of the public relations of the Rockefeller family on one hand and the tradition of social criticism expressed today by H. L. Mencken and Westbrook Pegler on the other. While contributing, indeed, to reform movements within the Republican party, it went no further. Certainly it did not provide the intellectual cutting edge for an effective liberal opposition.

As Americans concentrated on the development of a continent, they turned their backs to European dreams of the world that ought to be. These dreams were known here, but few shared them. They were not so much condemned as ignored. The Fourierists took over Brook Farm toward the end of its career, but their influence was small and their dream failed to awaken a response in the American mind. Karl Marx wrote a column from London for Horace Greeley's

New York *Tribune*, but it seems to have made little impression on the public mind. It was not until the turn of the century that more than a scattered few in America shared the Marxist dream, and it, too, failed to provide the revolutionary force here that it did in Europe.

The most effective challenge to the political domination of America by economic power based upon industry came from the Populist movement of the nineties, continued in one form or another down to the Progressive party of 1924. The Populists attempted to do precisely what was necessary to provide an effective opposition—to rally the dissident elements of all parts of the country around a liberal platform. They threatened to break into the Solid South, even electing to Congress a few hybrid Democrat-Populists. But Populism lacked an effective appeal to American labor, and organized labor of the nineties was not responsive. Populism's commanding interest was the welfare of the debt-ridden small farmer, who was the victim of the pressure of railroads, the processing combines, the implement manufacturers, and the investors in farm mortgages. It resulted in many contributions to American social legislation and polled more than a million votes for its presidential candidate in 1892. Eventually, however, the party became confused as to the distinction between free silver and cheap money, duped by the arguments of the silver producers who had their axes to grind, and the silver election of 1896 was the official death-knell of the Populists.

The Socialist party did not actually appear on the scene until after the collapse of the Populist party. It attempted to profit by Populist experience by working for a farmer and labor combination. Other groups, too, have attempted to work for the same combination, but they have been principally either farmer groups or labor groups, with the other element just a name. Socialism in America made its biggest gains in the cities, without achieving any genuine large-scale labor support. Its successes—the election of a few aldermen in New York City and mayors in Milwaukee and Bridgeport—were on the basis of municipal reform rather than as a serious

challenge to controlling economic power. The Germanic origin of some of its leaders, and the attitude taken by others that the First World War was simply a contest between rival imperialisms; and finally, the split between Second and Third Internationals following the Russian Revolution robbed the Socialist party in America of any hope of becoming the spearhead of an effective opposition, even though a surprisingly large protest vote was polled for Norman Thomas in 1928. Only the revisionist element, which in spite of doctrinal differences became increasingly hard to distinguish from the progressive elements in the major parties, attained any personal successes. The orthodox element sank eventually to the level of a debating society. Marxism's other daughter, the Communist party, has likewise failed to awaken a large-scale response among the American disinherited, not so much because of the bitterness with which it has been denounced, as because of the widespread feeling that it was more in tune with Russian foreign policy than with American needs.

The American labor movement, from which the rank and file of any effective opposition must be drawn in a nation economically organized as ours is, has had an interesting history. The mushroom careers of the first two large-scale organizations, the National Labor Union of the late sixties and early seventies, and the Knights of Labor of the late seventies and early eighties, were effective demonstrations that the American workingman, regardless of his economic need, was not politically awakened. Economic criticism, without an effective political program, is just as ineffective as political criticism without an economic program. The American Federation of Labor rose in the late eighties to dominate the self-consciousness of American Labor until the middle nineteen-thirties, but it showed the difficulty of building an effective liberal opposition. The AFL, which found its greatest strength in those trades and skills to which admission could be controlled, has itself tended to accept the Harrington-Locke thesis. It therefore aimed at making itself a powerful instrument of economic force, able to use government for its

ends without being politically controlled. The result has been that it has carefully avoided participating in the building up of a labor party, being concerned rather with supporting particular candidates for office, regardless of their official party affiliation. The Congress of Industrial Organizations (CIO), breaking away from the AFL in matters of labor organization, has followed the same general political strategy, although its adherence to the Harrington-Locke formula is not so evident.

Because American trades-unionism, in its effective organizations, has so largely followed the same general political and economic creed as industry, aiming rather at being dealt into the game than in tipping over the card table, it has not, as yet, contributed to the formation of an effective opposition. Its gains, and they are many and notable in the field of labor legislation, social security, and industrial health, have been victories won in the give-and-take of political bargaining rather than revolutionary achievements. Labor, generally, can be found in the New Deal wing of the Democratic party, with a few prominent leaders even among the orthodox Republicans.

The Relevance of the Problem

In this very cursory review of history, I have been trying to demonstrate certain points of the gravest importance for our thinking as we face tomorrow's world. With our country probably the most effective economic power in the world today, we cannot hope for great things on a world-wide scale without wanting them applied locally as well. Many of us may desire internationalism to triumph over nationalism in American politics, but it is not enough to join Leagues of Nations or even Federal Unions if we are nationally committed to economic determinism and laissez faire. Internationalism on those premises can easily lead to something like Mr. Luce's "American Century" without being so blunt or obvious about it. And today, despite great elements of dissatisfaction in many quarters and in many places, there is no

effective liberal opposition. The New Deal, even with its notable contributions to the common welfare, is still involved in the same old thinking, or at least has to make so many concessions to it that practical achievements are bought at the price of long-range principles.

The American Church has little to be proud of as it surveys its relations with the evolving political economy of the Harrington-Locke formula and the theory of economic man. Christian theology has had little to say about the issues involved in the struggles for power since 1640, although churchmen themselves have fought hard and bitterly. On the whole the churches, as institutions, have come to terms very well with the political economy.⁶ The churches have shown plenty of social zeal, but that zeal has generally gone off into special causes and reform movements without any real critical awareness of the factors underlying them. The tragedy of the prohibitionist movement, a political safety valve, is an illustration, because it attacked no vital problem. The churches today are becoming vitally concerned over the postwar world, and this genuine concern, based upon the most sincere motivation, can easily become another safety valve if it involves no profoundly realistic criticism of things as they are. The tragic failure of the church-sponsored pacifism during the twenties and thirties, which held out a beautiful ideal and ignored all but superficially the bases of war, should be a warning. Unrealistic dreams will arouse the kind of effervescent enthusiasm that goes with social ideals divorced from reality. The Christian tradition has an effective critical apparatus, as Saint Augustine knew, but the application costs.

People must live out their Christianity in the setting of history. History is the struggle between a controlling form of power and a challenge to that power. The challenge arises because the welfare of the challenger is compromised by the self-concentration of the controlling power. The challenge becomes effective only when it appeals to a wide cross-section

⁶For an appreciation of the socially liberal movements within the churches, see Chapter X.

of the people, crossing divergent lines of thought with a relatively liberal program. The success of such a challenge does not end the struggle, because it has been made possible only by a combination of forces with differences of their own to settle. From the seventeenth century to the present time, that struggle has largely stressed the economic, and the modern scene depicts the logical outcome of a fairly consistent application of the Harrington-Locke formula—economic determinism and laissez faire—and the theory of economic man to ever larger areas of life. We have reached the end of that particular road, and it is obvious that the Harrington-Locke formula can no longer serve a progressive purpose, as it did until 1860. The forces of challenge have been milling around since the Civil War but have been unable to meet the several requirements for effectiveness. The contemporary struggle is between the common man—not necessarily the proletarian or the farmer, but really including the whole mass of people—and institutions which would fit him into an economic pattern whether he wants to fit or not. The battle can no longer be fought by ringing the changes on economic man, for though that is the issue, it requires a new symbol. I believe that Christianity can provide that symbol for the revolution in the making, one quite as challenging as the Harrington-Locke formula was in the early eighteenth century. Moreover, I believe it must, for on the outcome of the struggle hangs the next chapter of human history and the future of civilization.

CHAPTER III

Who Owns What?

WE PLUNGE INTO THE FUTURE from the springboard of the present. If we wish to consider realistically the world that ought to be, we are necessarily concerned with the world that is. Any form of social organization has some form of political economy, and every form is open to improvement. It is obvious that we cannot return, even if we should like to, to the rather simple setup of the cave-man days, and start all over again. We have to start where we are by understanding, as far as possible, the assets and liabilities in the present account. In Chapter II, it was pointed out that the welfare of wealth, in one form or another, has become the dominant consideration of our contemporary order. Therefore, let us consider the subject of wealth.

You and I own things. Every one does. Every one expects to have some possessions. Leaving aside any question of the technicalities of legal title, we might observe that even the humblest slave has a priority relationship to his G-string if to nothing more. Regardless of common misconceptions, there is little evidence that communal ownership in Russia has gone so far as community toothbrushes. Rather, the tendency there has been to encourage, in the interests of hygiene, an increase in the number of individually owned toothbrushes.

Wealth is of various kinds and serves various purposes. When wealth is accumulated or funded, it becomes property, which is also of various kinds and for various purposes. The nature of property has had its own evolution through history, parallel to, and related to, the evolution of civilization. As we look ahead to the future, it is hard to avoid seeing that the nature and function of property require some clarification. The ownership of wealth has become thoroughly in-

volved in both the evolutionary and revolutionary developments of civilization through the years. It is tied up in wars and the settlement of wars. It is tied up in politics, and it is the raw material of economics. From the days of the Apostolic Church down to the present-day deliberations of Christian groups, such as those at Malvern, England, and Delaware, Ohio, there has been at least a limited awareness that religion, too, has a legitimate concern with the nature, function, and ownership of wealth.

Wealth can be defined as "all objects that have economic utility." This definition in Webster's *New International Dictionary* is, perhaps, a little too narrow, because there are intangible forms of wealth that can hardly be classed as objects, even though they have economic utility. The skill of the trained workman is certainly an economic asset, for instance. Being employed regularly is another such intangible upon which the prosperity of families and communities depends. Wealth involves ownership by somebody, individual or corporate, and even the intangibles are subject to ownership, although it would be stretching the meaning of the word property to call them that.

Economists have agreed for centuries that wealth is the product of labor, and that *property*, or the accumulation of wealth, therefore, is that part of the product of labor that is durable in a sense and that can be held rather than used up. Economists have differed in the implications that they have drawn from this recognition. Property can include all kinds of things—land, buildings, clothing, money, pieces of negotiable engraved paper. It can be public—state highways, bridges, the City Hall—or it can be private. Public ownership of schools and parks, for instance, is rather obvious, and becomes a political issue only when somebody is trying to persuade the community to acquire a piece of land for one of them. The principle of ownership is not in question, even though these things are certainly a form of wealth and the product of labor. Public ownership does become an intense political problem when it includes such things as mineral reserves,

water rights, and electric-power facilities, because these things may be held in competition with private interests or desired by them.

Regardless of who produces wealth, it becomes politically significant chiefly in the form of property, broadly defined to include privileged relationships to, as well as outright ownership of, things, institutions, and situations. Therefore, let us approach our consideration of wealth by looking at it, first of all, in the form of property. It will be obvious from the start that any consideration of property in a highly industrialized society must include many complex aspects. It is not our purpose here to make an exhaustive study of the economics of wealth and property. We shall deal only with those aspects that are the most powerful forces in our present-day political economy and that obviously must be understood if we are to clarify our vision of the world which ought to be.

The Psychological Significance of Property

Some discussions of the subject, even those from a profoundly Christian standpoint, are futile even if their analyses are accurate, because they approach consideration of property from the standpoint of general principles. When anything is tied up so closely with the way we live, when anything has so many emotional aspects, as does the ownership of property, it is well to begin our discussion by examining the psychology of ownership in the civilization that we know, that of today, and then to go on into broader fields of concern.

The ownership of property serves several natural instincts. Not all forms of property contribute to all these basic drives of personality, but each has its relationship to man's psychology. Property ownership, after all, is not a thing in itself. It always involves men or groups of men, regardless of the type of social organization under which they live. The nature of property ownership has been changed through the passing years because, from time to time, a sufficiently influential proportion of the population has felt its needs unsatisfied by prevailing systems. Since property is so intimately related to

men's personalities, it is doctrinaire to draw up blueprints, accurate though they may be from the standpoint of abstract justice, if they do not take into account the psychological ramifications of the subject.

The first purpose served by the ownership of property is fundamental security. This does not mean that any particular system of property ownership, either the present American one or one prevailing elsewhere, is the necessary means of serving man's need of security. It does mean that man's desire to gain security is a basic characteristic of personality, and that as things are organized today, the ownership of property serves that purpose, among others. Security itself requires some interpretation, because, as every social worker and psychologist knows, the ownership of things will not, by itself, give that security. But in our present-day civilization it certainly helps. *Security* is that freedom from anxiety over the immediate necessities of living which enables a man to direct his concentration toward larger interests. Security, in this sense, applies not only to the individual, but to all those whom he feels to be dependent on him. In its psychological sense, it does not refer to any particular minimum standard of living, but rather to that standard to which a family is accustomed. Ownership of property, particularly if the right to a job is a part of property, obviously contributes to this kind of security. Those who have it are more able to take the basic necessities of life for granted and to direct their energies toward other ends. Those who don't have it want to get it, and frequently become embittered when forces, apparently beyond their control, frustrate that desire. That security is an important social consideration is borne out by the development of social security legislation in this country and abroad, by the detailed study of Sir William Beveridge's commission in England, and by the inclusion of freedom from want among the Four Freedoms of the *Atlantic Charter*, and also by the National Resources Planning Board report. Whether our present system of property ownership is an adequate means of handling the universal need for security is a problem which we

shall consider presently. Regardless of our personal opinions on that subject, we must recognize that people by and large regard property ownership as an essential for security.

But security is not the only natural instinct served by property ownership. An equally important one is the natural desire of all men everywhere for recognition, and our present system of property ownership contributes to the realization of that desire. Again, any social worker or psychologist can demonstrate that those whose economic standards have been drastically cut by something or other have consequently felt and suffered from a loss of social status. The difficulty which those of us in case work experienced in the early years of the depression in getting families to accept public relief, as against private agency maintenance, is in point. Psychological factors were definitely involved. Interpreting what is meant by recognition, I would say that it is that feeling by a man and his family of being respected as competent by his peers. Property ownership under our present social system contributes to that feeling. And recognition is an important drive. It has received a measure of public appreciation in unemployment compensation and old-age security, which not only serve the need of security, but also make people feel that, instead of being the recipients of public aid, they are really self-maintaining individuals cashing in on a social equity to which they themselves have contributed. It was evident in 1938 and 1939 that men who had qualified for unemployment compensation remained psychologically re-employable much longer than before the days of social security.

While the ownership of property serves the desire for recognition, again it is obvious that there is no one minimum of property ownership applicable to all. People's estimate of their peers varies with their experience and ambition. Besides the variable standard in background involved in a realistic consideration of security, which is also applicable in the case of recognition, there enters in here an element of competition. People like to keep up with the Joneses, and there are many levels of Joneses. Property ownership seems to be involved in

the various rungs of the social ladder, and a man's idea of who are his peers frequently includes those on the step above rather than those on the same step. The gaining of recognition from those who might otherwise not give it can involve a measure of achievement. Many people have worked very hard in order that their sons and daughters might be accepted in what appear to be higher social circles, so that they themselves might receive a vicarious recognition. Therefore, recognition, unlike security, can become highly competitive where property ownership is concerned, and accent the acquisitive aspect.

A third and very important psychological drive served by property ownership is the desire for power, which all men share, at least to some extent. In itself it is a natural and legitimate drive, one which, like any other, can become corrupted by being given too large a place in the expression of personality. The desire for security and recognition can become destructive, but the nature of the desire for power makes it more dangerous socially, because it has to be expressed in social ways. The desire for power is that element in a man's personality which makes him desire acceptance for what he has to contribute, and authority to satisfy his desires. If he is anywhere near normal psychologically, he must feel that his opinions have some value, and that his desires are generally legitimate, and that he should be able to command at least an equal hearing with others as well as equal rewards. Power is the ability to compel society to grant that hearing and those rewards, whatever they may be, and under our present-day system of property ownership, the easiest way to get some power is to buy it. The ownership of property by itself will enable a man to command, within limits, the services of other people. There is quite a feeling of satisfaction in being able to go into a large and luxurious hotel with plenty of money in one's pocket, and to accept as one's due—because one can pay for it—the services and attentions there provided.

The desire for power is obviously the most highly competitive, and the most thoroughly acquisitive, of the three psy-

chological drives we have been discussing. Inasmuch as it involves relations with other people, it involves the desire to be superior to them. Carried to excess in any form, whether through the ownership of property or through some other means, it commits one to playing king-of-the-castle with everybody else. If the ownership of property is regarded as the most appropriate avenue to power, one is committed to trying to get all the property one can, even at the expense of others.

These three drives—for security, for recognition, and for power (though someone might suggest a better name for power)—are elemental in human nature. Through history they have been served in many ways, and social systems that failed adequately to serve one or more of them have broken down many times. The feudal system, for instance, with its theoretical balance of rights and responsibilities in a static society, ostensibly served the needs of security and recognition (although I wonder whether it did so to the degree some admirers of the thirteenth century believe). It failed utterly to satisfy the desire for power once the development of new economic factors broke its rigidity. The Harrington-Locke formula, economic determinism and laissez faire, was an attempt, on the other hand, to serve the desire for power and also the desire for recognition. Apparently it has not worked out so well in serving the desire for security, particularly as it has accentuated a master-and-man relationship in society, without the theoretical balance of rights and responsibilities that existed under feudalism.

The Nature of Modern Property

On the basis of this psychological interpretation of the role property ownership appears to fill, let us turn now and consider property itself. There has been nothing static through history in man's understanding of what ownership meant. The feudal system was not so much concerned with ownership in itself as it was with relationships. The serf in the fields could not be said to own his land, because it could be said just as truly that the land owned him. Their relationship was

supposed to be indivisible. The higher one went up the scale, the more the relationship appeared to be one of privileged connection with certain lands. One was entitled to the revenues from his lands, and to services from their inhabitants; but title in fee-simple, in our modern sense, did not seem to belong in pure feudalism, for the fortunes of wars and politics extinguished frequently and easily the privileges of one man and substituted those of another. The economics of the situation were relatively simple, as the overplus in a primitive agrarian economy was relatively slight. Acquisition consisted in adding to the area of the land over which one had a privileged relationship, adding thereby to the total overplus accruing therefrom.

With the breakup of the feudal system, through the liquidation of the barons and through the extinguishing of the church's claims, as in England where that occurred, the basic element in property shifted from the revenues in overplus to ownership of the land itself. As a matter of history, the fact antedated the theory, because it is certain that the Stuarts believed, even if they could not act upon that idea, that the crown owned all the land in Great Britain. Concentration of energy in specific forms of enterprise, such as wool growing or wheat growing, naturally increased the overplus accruing from particular holdings and made the ownership of land part of a more fluid economy. At the same time that the ownership of land became important, the cities began to grow and merchants to earn their livings from the profits of business ventures, in manufacturing or trading. The evolution of the property concept was based directly upon the evolution from feudalism, but people's thinking changes gradually. In the development of modern economics, *realty* antedated *personalty*, and the distinction still carries over to the present day in the distinction between *real estate* and *personal property*, as if the ownership of land was a more substantial form of property ownership than other kinds. James Harrington was thinking primarily of land ownership in *Oceana*. Locke, a generation later, still thought in terms of land as the basic

element in property, although his ideas included a more mercantile interest. The French Physiocrats and Jefferson based their liberalism upon a democracy controlled by large numbers of small farmers holding their land in fee-simple. Henry George, who wrote only sixty years ago, when the modern industrial age was bursting into full bloom, attacked social problems on the basis that landed property was elemental. His "single-tax," or "social-rent," was an attempt to remedy all social injustices on the basis of dealing more adequately with this one form of property.

In a society based upon low-pressure agriculture, such as Jefferson envisioned, landed property could perhaps supply something of an adequate answer to three basic drives of personality, at least for those who happened to own a freehold farm. But there are few, if any, examples of such a society into which other forces do not enter, and, Jefferson to the contrary, such was not to be the destiny of the United States. Two complicating factors were present from the start, the force of which has been accentuated by our technical civilization. The first is that, in our increasingly urban society, the actual ownership of land, while important, has become of secondary value. Factories and office buildings and apartment houses have to stand upon the earth, and therefore are related, and often expensively, to the land title, but the natures of these enterprises are more important than the acreage they occupy, and have little, if anything, to do with it. While it was recognized from the start that the use to which land was put had a great deal to do with its worth as property, a fact still true today, other forms of property in urban settings tend to exceed land in importance. Yet the carry-over of the idea that land ownership is basic is still influential here. Although improvements and developments of land are most important considerations, municipal taxation still is largely concerned with the property in land itself. The other factor modifying the meaning of land ownership is the exploitation of natural resources, both surface and subsurface—water, timber, minerals. In most cases, the owner of the

land has nothing to do with these assets being there, and in many instances the discovery of their value was accidental, the land having been acquired for other purposes. In every case, the possession of these resources has social implications far exceeding land ownership itself, that being only a necessary prerequisite for exploitation. What the farmer produces through agriculture are commodities for which other people are glad to exchange the products of their labor. The owner of natural resources, under an unmodified property system, is in a position to exact tribute from the public for something it needs—water, wood, coal, iron, power—which the owner may indeed have developed, but the possession of the title to which is actually a stroke of good luck.

As a matter of fact, landed property has never been the simple basis of economics, because business enterprises actually antedated the modern setup of title ownership. Indeed, one of the major factors ending the feudal system was the realization that land could be made to yield a money profit, as against an agricultural overplus, by being devoted to the production of a single staple for international distribution. Along with the extinguishing of baronial and ecclesiastical privileges, came the parallel extinguishing of the privilege of the now emancipated serfs through the enclosure for wool raising of their common land. The wool was sold abroad, and the distribution was handled, not by the wool growers, but by brokers. The merchant who dealt in commodities for a money profit actually antedated the disappearance of rural feudalism. Money, the medium of exchange, has been one of the strongest components of property for many years, even before the theory of land ownership was clarified. It was discovered in very ancient times that money serves the desire for power perhaps more adequately than any other form of property. Once commerce became the recognized method of acquiring money, its economic force supplied the dynamite which blew apart the old order of things to clear the way for the modern age. Harrington certainly had the rural land-owners in mind, and Locke gave them serious consideration,

but the Harrington-Locke formula was used to best advantage by those whose property was more largely in personality than in realty.

Money as Property

Money itself is but a medium of exchange, a common denominator useful in solving the relationships between commodities. It may be defined as negotiable promise of service or goods. It consists mostly of commercial paper, and the supply is very unstable. It may glut the market, or it may become extremely scarce. Wealth in money itself, based upon the intrinsic worth of the actual coins owned or represented by certificates, has not been a particularly important factor in the evolution of property during the past three hundred years, although a gold standard for currency was used most of that time, with variations, as a control over fluctuations in the value of the currency. The importance of property in money is that it represents economic power sufficiently elastic to be directed toward many purposes. The purpose of food products is that they be eaten. Clothing is made in order to be worn. Nobody eats money, and only savages wear it. Money is used to buy things, goods and services of many kinds, including food and clothing. But that is not the only purpose which money serves in our modern economy. One of its most important uses is as the most efficient instrument for acquiring more money, and hence more economic power.

The tie-up between money and property, whether the money is in the form of gold bullion, silver bullion, or securities, and whether the property is private or public or both in nature, actually confuses the function of money. Its purpose to serve as the common denominator for the exchange of goods and services is compounded with the fact that in an industrial society, where relatively few people are primary producing owners, money is an indispensable mechanism. The relationship of money to property leads to fluctuations in its supply and value which are due to business prospects, credit trends, and the like, in spite of the need of people for a rela-

tively stable medium of exchange. The people who are most dependent on money in the form of cash wages or payment for produce are at the mercy of the forces of the money market, over which they have little, if any, control. Their ordinary experience leads them to value things in terms of money, not money in terms of things, so that practical confusion is the result when their economic frame of reference shifts.

A demonstration of this confusion is seen in the agitation over revision of the so-called "Little Steel formula" for industrial wages. The formula, when laid down, provided for a 15 per cent ceiling to wage increases, but during the year after its acceptance the cost of living rose more than 20 per cent, which meant a 20 per cent decline in the value of the money which the workers were paid under the formula. In the meantime, the same crisis saw special interests, particularly large-scale agriculture and the executive ranks of big business, seek special exemptions from wartime control measures, as if increases in the prices of certain farm commodities and executive salaries would not further depress the value of money. The whole inflation experience, through which we are passing once more, is an economic concomitant of all modern wars, and it demonstrates the hardship caused when money is too directly related to property. Money not used in the purchase of consumer goods becomes a threat to money that has to be used for the purchase of consumer goods, because its effect upon the economy is in terms primarily of power and not of distribution of things to people who need them.

Money as property is the most important form of personality. With the advent of the Industrial Revolution, it became evident that personality was actually the most important type of property. Even the earliest mechanized factories required a capital outlay before they could be built and equipped, and the purchase of the land they occupied was often but a minor part of the expense. Even before the Industrial Revolution, money had borne its child—funded indebtedness, the basis of securities. With the increased demand for capital after the

Industrial Revolution, this kind of personalty has grown enormously in volume, and it has become the lifeblood of the economic system. Governments used it before, but primarily as borrowings which were expected to be repaid. Now the funded obligations of governments, bonds, become capital assets and the basis of the money which originally bore them. This is no new phenomenon—the result of the New Deal or wartime conditions. Since the Civil War, the funded debt of the United States has been the official foundation of the financial structure of the country. That was the purpose of the National Bank Act of 1863, and subsequent revisions of the national financial structure, culminating in the Federal Reserve system. Actually, such a development was perhaps prematurely anticipated by Hamilton in the plans for the first Bank of the United States.

Government operations, financed through bond issues, have for many years been involved in the picture of property ownership. The relationship of government bond issues to the volume and value of money is not within the specific province of this chapter. Their relationship to property ownership, however, is just as important. Except during war years and in a few special emergencies, the average man is only indirectly involved in this type of government finance, and the property-ownership angles affect him hardly at all. Government bonds, including not only federal issues but also state, county, and municipal ones, are sold to, and through, banking and discount houses. Those who buy them, both corporations and individuals, do so not because the yield is either immediate or very high, because it is neither. They do so because such purchases augment their own credit structure, and have certain advantages in security and tax exemption. Obviously, the investors cannot foreclose on the government and take title to a highway, a bridge, Boulder Dam, or the United States Treasury Department, and the investors do not want to foreclose. They are concerned that government operations conform to conservative financial principles in order to guarantee the safety of the investment, and to

enhance it through appreciation in money value. As the situation has worked out, individuals and corporations of considerable wealth have found themselves with a several-pronged stake in the government after participating in government financial operations as a means of adding to, and safeguarding, their own property. Not the least of these is a political interest. It is chiefly those who are in the business of using money to make more money, something which only those with considerable wealth can do, who are concerned with this type of property. It is, therefore, to be expected that their interest will be directed toward securing what are called "sound-money" principles. In this connection, I have heard representatives of this group comment favorably upon the tremendous increase, resulting from war-bond sales, in the number of people having a financial stake in the government, because they expect that this will increase tremendously the political power of those who favor sound-money principles. If certain fiscal policies result in an appreciating dollar—one which is worth more in purchasing power than the one spent for the bonds—the return from the investment will be much larger than the interest paid. After every war in which the United States has participated, and in the course of which its credit structure was strained and its money depreciated, there has been strong political pressure for policies which would encourage appreciation. We can expect the same after this war, and it will have a very direct effect upon both the international relations and the internal policies of the United States.

While governmental operations furnish the chief source of personalty right now, a tremendously important source is the capital structure of industry. Industrial operations, as they have developed in our country, have been concerned with making a profit through receiving more for the goods and services supplied than it costs to supply them. The profit, theoretically, is paid to the owners of the industries in the form of stock dividends. But modern industries are expensive propositions. The capital necessary to launch them, to main-

tain them, or to re-equip them has involved selling both shares in the business and claims against its credit on a wide scale, a very wide scale in the case of some of our larger enterprises. These shares and claims—stocks and bonds—are property, based not only upon the physical plant, but also upon the successful operation of the industry. The relationship of property ownership to productive enterprise is exceedingly complex, but there are outstanding aspects. The first is that ownership has become progressively more indirect, and the larger the business the more indirect its ownership. A class of professional managers has evolved. They operate industry for the owners, but in many large industries are involved only slightly, if at all, in actual ownership. Through the mechanism of stock, the ownership itself has been spread widely among many persons, a very large percentage of whom are engaged primarily in other forms of business. The effect of this system upon industrial policy will be considered later. For our purpose now, it is sufficient to note that a very large part of property is the ownership of shares in industrial enterprises, and the actual owners have little, if any, concern with the purposes of the company in which they have invested their money. Those who own industrial bonds have even less direct concern, because bonds constitute an acknowledgment of a debt to be discharged according to a plan at a fixed rate of interest.

The nature of this type of property ownership naturally tends to divorce property from production. Speculation in industrial securities as well as stock market operations for other purposes tends to demonstrate, in the eyes of many owners, that the value of their securities is the important thing, and the industrial structure upon which they rest is of secondary consideration. The fact that many industries have been overcapitalized is in point here; and the fact that the funded obligations of companies tend to become a factor of primary importance in determining industrial policy should be realized. We are not concerned at this point with listing the merits or demerits of private capitalism as a means of

financing industry, but rather in analyzing the nature of property in our present-day world in an attempt to discover what it is and what it does. I have tried to make clear that a very large proportion of property, and certainly the most influential part politically, is in personalty. When we realize how deeply embedded this type of property is in our whole national culture, its importance cannot be minimized. There are many great concerns, such as, for instance, the life insurance companies, which are not engaged in any productive operations at all, except insofar as they invest their funds in them, but which are engaged entirely in the handling and promotion of the personalty type of property. The endowment system has involved educational, charitable, and religious institutions in the same property relationship. Its importance is recognized by the Federal Government, as well as by state governments, in the setup of the income-tax structure, while governmental authorities such as the Securities Exchange Commission and the state insurance commissions have been called into existence to regulate it.

Another aspect of this type of property which is of particular concern to us is that its connections are international, unlike those of landed property. Although citizens of one country can and often do own real estate in another country, such ownership has not the significance of international financial transactions. Securities are more easily distributed across frontiers, and furthermore, the close tie-up of personalty with money itself, which necessarily has international relationships, makes it subject to world influences. The stock market crashes in 1873, 1893, and 1929 were international phenomena. When Great Britain was forced off the gold standard in 1931, the effect was world-wide, and in 1933 the same thing happened in the United States. These are but indications that, as far as money and personalty are concerned, the world has now a single economic pulse. The international relations and the political influence of personalty are again shown in regard to the war debts after 1918 and the planned liquidation of Lend-Lease. In fact, nothing could have been more dis-

astrous to the American money market and investment exchanges than if the debtor nations had been able and willing to discharge their war-debt obligations quickly and in full. Nothing could have been more favorable, on the other hand, than if these international obligations had become permanently funded and part of the backbone of an international credit structure, as the Dawes Plan and the Young Plan attempted to arrange. It is important to observe that, almost in direct proportion to magnitude and world relationships, the interest or dividends from an investment become more important than the principal.

The Effect of Personalty in Modern Life

Property is important in our present-day world, and the most important kind, both in terms of its influence and in terms of being generally regarded as desirable, is money and its by-products, that which we have been calling personalty. Its fortunes dominate the valuation of all other types of property, and also the production and distribution of the many goods and services which the world needs and uses in a technical and interdependent age. As a matter of fact, personalty, instead of consisting of the accumulation of what might be called reasonable rewards for services supplied, has become the tail that wags the dog. Using it to augment itself has become one of the world's major businesses. Its prospects for increasing are a major consideration in deciding whether factories shall produce at their capacity, or whether they shall lay off men. Ware and Means have shown how, during the depression, this factor weighed more heavily in deciding policy in many key industries than the demand for the products.¹ An oblique illustration of the fact that personalty is actually the controlling aspect of the total property-ownership picture is seen in those efforts of some of the frantic rich to escape the deluge by returning to the land, which they did not know how to farm. They then used the returns from their invest-

¹Ware, Caroline Farrar, and Means, G. C., *Modern Economy in Action*. New York: Harcourt, Brace & Company, 1936.

ments to hire farmers to produce for them from the soil a living that costs more than they would have had to spend if they hadn't tried farming at all.

The first psychological rationalization for the modern system of property ownership was that it contributed to the general economic security. Since the Industrial Revolution's advance ended the dream of Thomas Jefferson, it cannot be said that property ownership, which has tended more and more to be centered in personalty, supplies that need. It is true that it has made possible a more widespread distribution of property in the form of the technical gadgets of more convenient living—automobiles, radios, electric refrigerators, washing machines, and so forth—than in any other country, but the methods of this distribution, through installment purchases and loans, have tended to militate against general security rather than to advance it. The nature of our economic and industrial revolution has made it impossible for as high a percentage of persons as in colonial times to find property in land a basis for security. For those who do own land, subsistence farming is not the rule, and their land more often than not is encumbered. In the urban areas, both during the late twenties and again today, there has been a tremendous increase in the number of small homes occupied by working people, but these homes are overwhelmingly involved in the personalty picture through long-term amortization contracts. In times of depression these ownerships can become a threat to security instead of a guarantee of it. So far as the ownership of personalty itself is concerned, it is indeed very widely spread, but it was not until the war-bond drive that a significantly large percentage of the people took part in that type of activity. People have been induced to buy government bonds before—during the Civil War, for instance—without that ownership in itself affecting the personalty trends in any way other than to augment the political power of those who desire to have the government debts discharged with appreciated dollars. Conservatives already foresee that possibility on a much larger scale than ever before after the end of the war.

It cannot be said that the personalty distribution actually tends to give very much security to any significant proportion of the people. Few of them are in the position to be involved in industrial ownership to any degree. A larger group find a form of security in the ownership of life insurance policies. The section of population which needs security the most is involved in the rather pernicious system of term insurance, where the investment costs more than it is worth and actually pays off only in funeral expenses.

The point of any frank analysis of the property-ownership picture is that the trend which we have been following for the past century has perhaps increased the number of gadgets the average family possesses, but it has tended to decrease their relationship to significant forms of property. Therefore the contribution to security has been more negative than positive. As far as psychological drive for recognition is concerned, it will be realized that the present system of property ownership, while refusing security to most people, tantalizes them continually with the will-o'-the-wisp hope that somehow they can obtain it through the very system which disinherits them. Our present system of property ownership sets a premium on possessing things, withholding the wherewithal on the one hand, and on the other, encouraging the rank and file of people to live beyond their means. The tremendous and elaborate credit structure which goes with the accent on personalty actually adds the force of coercion to the other factors of the system. It is not only the tenant farmers of the South who are caught in the credit system—their situation is such that the drive for recognition does not have to be catered to—but in a more subtle way the whole of urban civilization is involved. The recognition factor is placed in reverse, so that it appears to be most powerful in the condemnation of persons who lack something. On the positive side, the majority of people are committed to straining ever more intensely for those things which will enable them to stay where they are, rather than to advance. All along the line, the competitive aspect of the recognition factor is stressed.

The results in terms of power are several. On the most obvious level, great discrepancies exist. Our present property-ownership system is a logical development of the Harrington-Locke formula to which economic evolution, notably mechanized industry, has made contributions. Not only is power disproportionately distributed, but the personalty system which we have reviewed has a power result more out of line than any system of title ownership. Power goes with wealth, to be sure, but today the use or control of wealth is actually more significant as far as power is concerned than actual ownership, because ownership is scattered, while corporate control is not. When I buy stock, I not only lend the administration of a corporation money upon which I expect a return, I also give them power for which my claim to a return is only theoretical. Economic commentators of the end of the nineteenth century, ranging all the way from Lord Bryce to the Marxists, foresaw a tremendous and ominous concentration of the power which wealth confers. While ownership in many enterprises is perhaps more widely scattered than ever before, the power which goes with the corporate wealth is not scattered at all. The present system of property ownership encourages by its own nature the most inequitable distribution of power. The only possible balance to it, so long as the system itself remains, is the power of government.

What we have been reviewing is only the logical application of the Harrington-Locke formula to the economics of property and wealth. It is a system which, as Peter Drucker has pointed out,² has not fulfilled the foreboding of Marx and others by concentrating all wealth in the hands of the few and leveling the rest of mankind to bare sustenance. Lassalle's "iron law of wages" has not quite worked out in practice. But it is a system in which the economics of wealth and property have dominated almost completely all human activity.

For Christian thinking, the problem raised by this discussion

²Drucker, Peter F., *The End of Economic Man*, Chapter II. Philadelphia: John Day Co., Inc., 1939.

is more serious than the existence of inequities within the system, inequities which might be corrected by evolutionary means. The problem is one of the orientation of the system itself. As true and incisive as have been the many criticisms that have been made of our contemporary political economy, most of the famous ones, Marxism for instance, have dealt with the elimination of the inequities through political and economic revision of the structure of society, without questioning the validity of its economic orientation. While it is possible that under different systems of property ownership and control, the power which wealth provides might be exercised with greater social effectiveness, so that the three instinctive personality drives—for security, recognition, and power—might be more adequately satisfied, other problems remain, and it is doubtful whether any system with an economic orientation can meet sufficiently the basic needs for everybody.

As we face tomorrow's world, one of the major obstacles in the path of a realistic program for the welfare of all men is the tradition of the Harrington-Locke formula and the theory of economic man, which our present system of property ownership demonstrates. There is some considerable awareness of defects in the system, particularly as far as security is concerned. Our National Social Security program is an attempt to face that problem on a limited scale. The British Beveridge report and the National Resources Planning Board report were more ambitious and far-reaching programs. But both were essentially palliative.³ They were attempts to make the system work more painlessly. They recognized and sought to meet the inequities in security, and they provided somewhat for the drives of recognition and power, but they did not, and they cannot, question fundamental social orientation.

³For a fuller discussion, see Chapter X.

CHAPTER IV

Our World of Wheels and Machines

THE TEST OF ANY POLITICAL ECONOMY is not in the logic of the theories which may be propounded about it, but whether it is able to supply, to a significantly large proportion of the people, an adequate living in all those fundamental aspects that make life more than just tolerable. The American political economy is an evolving system, like any other. The contribution which it has to make to the world of the future is something more than any theories of what it is, or what it ought to be. We ought to understand the way it works at present in order to know its assets and liabilities as far as its relationship to the world being born is concerned.

We live in an industrial age. Mechanized processes for making things, doing things, and getting from one place to another are the rule of the present day, and there is every reason to expect that the world of the future will be even more an industrial and mechanized place. The political economy marked by the Harrington-Locke formula and the theory of economic man was the outgrowth of the experience of an earlier day before machines began to play so large a part in the way men live. Political evolution alone did not bring that political economy to the end of its road, so that one could no longer envision under it a progressively freer life. The Industrial Revolution completed the logical process and also pointed to the end of an era, because the combination of industrialization with the Harrington-Locke formula and economic man meant the dehumanization of people.

When in the dim primeval past man learned how to make fire for himself, he found himself in possession of a two-edged skill. The same fire that could be used to cook a meal could also burn a child. The fire that could warm men's bodies

could also destroy their huts. The discovery that they could make fire for themselves gave men control of a useful servant, which could easily turn into the most destructive enemy.

When James Watt, in the middle of the eighteenth century, spent a day playing with a teaspoon over the spout of a kettle and emerged with the idea of the primitive steam engine, industrial power was born. That is as convenient a date as any upon which to fix the birth of the servant of the modern age. And again, men had a servant which in the wrong environment became an enemy. The machine that could produce goods so cheaply could also prevent many people from being able to buy the goods. The machine that could stamp or hammer identical parts micrometrically true could also change those who tended it from craftsmen into grooms, and then decrease their number to a small handful of inspectors.

Probably in that far-off age when the making of fire was discovered, men did not think of their new servant as their chief problem. The hostility of nature and of other men still occupied their thoughts. While today not many people think of machine industry as a problem, nevertheless, that is what it is. The relation of work and the machine is one of the great unsolved problems of the present age, one which demands clear-sighted attention, if the machine's socially destructive potential is not to create more chaos than its socially useful production can balance.

The machine yes the machine
 never wastes anybody's time
 never watches the foreman
 never talks back
 never talks what is right or wrong
 never listens to others talking or if
 it does listen it doesn't hear
 never says we've been thinking, or, our
 feeling is like this

the machine yes the machine cuts your production cost
 a man is a man and what can you do with him?
 but the machine now you take a machine

no kids no woman never hungry never thirsty
all a machine needs is a little regular attention and
plenty of grease.¹

That is Carl Sandburg singing a rather sour ballad of the modern world's difficulty. The problem is, as Sandburg will tell you over and over again, that while the machine may be all this and more too, men make up the society of the world. While machines do not have to eat, and take no time to philosophize, men have to do both. While machines may need only proper handling and periodic replacement, asking no questions when they are junked in favor of a new model, men cannot be treated quite the same way. Men, after all, Ricardo to the contrary, are more than one of the costs of production. Their ability to consume what the machines produce alone makes ownership of machines worth while—a truism under any economic system. Men own machines in one way or another. Men operate them through the concentric circles of control. Men use the products. Apart from the world of men, machines have no function at all. They do not woo, marry, and produce their kind. They exist because some men find it convenient to have them. They justify their existence, for men generally find a way to live with them.

Machine production is here to stay, and not all the Gandhis with their spinning wheels can make the machines go away. (It is interesting to note that one of Gandhi's chief supporters is Mr. Birla, a great textile magnate, whose fortune rests upon something more modern than crofting.) Historical problems are not solved by turning clocks back. Yet there is a rather pathetic insight revealed in the nostalgia of some old-timers, who yearn for days when social relationships in a less mechanized era were less confused. Recently an elderly man, speaking at one of a series of parish meetings, told the group how much better the world would be if it could only discard automobiles, radios, airplanes, and the like, because, in his opinion, the tempo of life would then be retarded and people

¹Sandburg, Carl, *The People Yes*, page 109. New York: Harcourt, Brace & Company, 1936.

could catch up with themselves. The insight in such longings is the realization that the problem is essentially one of human relationship. Human relationships, however, have to be worked out in the arena of the present, not the past, and the machine is an inescapable component of the present, and the future too.

Anything which concerns human relationships is the concern of the Christian religion. If mankind finds difficulty in adjusting its life to the machine age, the Christian religion, which claims to provide the necessary orientation for satisfactory living under any and all conditions, has an interest in the problem. While it is true that neither Jesus nor the faith that springs from Him demands any particular scale of material perquisites for adequate living, it is also true, as we have already observed, that social confusion regarding material things may and often does interfere with men's vision. Unanswered frustration is an obstacle to sound religious living. The Christian tradition claims that the peculiar gospel of forgiveness and salvation applies to all men everywhere in the situations in which they live. Therefore, if Mr. Middleton Murry is right when he says,² "What this accommodation of man to the machine really involves is a revolutionary development of his social intelligence and his social morality. At present the machine has merely shattered his traditional morality," then the Church, as the continuing agent of the Christian faith, is immediately and directly interested in the situation.

The Effect of Mechanization upon Culture

The increasing importance of the economic climate during the past three centuries has been an incentive to inventiveness and a direct stimulus to the development of mechanized production. There is no denying that fact. But at its peak of achievement, the political economy of the Harrington-Locke formula and the theory of economic man produced a Frankenstein, which it did not have the genius to control. The effect

²Murry, John Middleton, *Europe in Travail*, page 20. New York: The Macmillan Company, 1940.

of the Industrial Revolution upon people is far more significant than its effect upon processes; indeed, the significance of the latter is found in the former. The Industrial Revolution is more of a cultural phenomenon than it is a scientific development. Its effect is not properly appreciated if we merely look with awe at the march of technology, amazing as that march has been.

The first important fact of the industrial age, which everyone knows, although not everyone takes it sufficiently into account, is this: It is no longer possible to maintain an adequate standard of living through one's own unassisted efforts. A century ago, in protest against the early phases of the industrial control over all our lives, Henry Thoreau retired to Walden Pond. In more recent years, Count Herman Keyserling tried living on a South Sea atoll. Each, during his voluntary exile, managed to maintain himself; but neither could be said to have done so on a basis which would be satisfactory for more than a philosophic few. In a million ways, the details of our lives are social creations—food, clothing, water, light, heat, and power. Few of us can supply these physically for ourselves, and, while we may know the dealer from whom we purchase them, our personal contact with the hundreds of others involved in their supply and distribution is practically nonexistent. We are dependent for most of the things which make ordinary living possible, and, therefore, we are dependent on there being some kind of an organization of millions of nameless people. Should the organization break down, we would be helpless. In protest against this trend in modern living, Charles Péguy, the French poet, had printed in the back of his play, *Joan of Arc*, the names of all the men who had taken part in the manufacturing of the volume—printers, readers, correctors, and compositors, and regretted that he was unable to identify the men who had cast the fonts of type and those who had made the paper.³

³Green, Julian, and Green, Ann, Introduction to Charles Pierre Péguy, *Basic Verities*, page 24. London: George Routledge & Sons, Ltd., 1944. New York, Pantheon Books, 1943.

It is hardly necessary to labor the point to show how our culture depends on modern industrial development for its needs and for most of its desires. The individual is powerless to maintain himself according to accustomed standards apart from society. Emancipation is possible only through a Thoreau or Keyserling gesture. Victory gardens are the style during the war and are very helpful, but few of us will feel able to depend on Victory gardens for our entire food supply. For the modern world, the day of the family spinning wheel, the family subsistence gardens, and the other aspects of individual self-maintenance, have gone for good. *It is no longer possible to maintain an adequate standard of living by one's own unassisted efforts.*

The second point, related directly to the first, is this: Employment generally has become dependent on the prosperity of industry. This point will be further discussed when we consider the actual structure of the machine age and the nature of unemployment. Suffice it to say now that the way in which most people earn their livings, whether they be farmers, domestic servants, professional people, or in the service trades, is directly dependent on industrial conditions. The total employment situation is an involved social complex in which interdependency is the dominant note. As our industrial economy has evolved, we have become increasingly dependent on the industrial situation for employment, because wages to workers of all kinds—engineers and accountants as well as bench hands—have become the economic lifeblood for the entire social mechanism. While it is true that new jobs are always being created and new industries are being developed, the fact remains that it has become relatively impossible for any person to earn a living for himself and his family except in direct relationship to the social picture. The "Depression Success Stories," which some of our magazines featured during the last decade, close-ups of Mr. So-and-So, who, after being laid off, earned an adequate living by repairing lawn mowers and window panes, are pathetic illustrations of this fact. *Employment has become dependent on the prosperity of industry.*

A third important point is this: The individual has been discounted in social value. That is what the theory of economic man as developed by David Ricardo and the Manchester School of economic thought meant when it was applied to an industrial society. Human beings were reduced to calculable factors in an essentially mathematical equation, with the economic coefficients of wages and the economic laws of price determination being more significant than the men who earned the wages or bought the products. Although the Manchester School is still believed in by many industrialists, it is out of date. Actually, present-day economics has devaluated men even below the mathematical level of Ricardo's formulas. Although analyses are temporarily confused by wartime manpower shortages, it can be safely said that since the close of the last war, men as such have become almost negligible factors in the economics of production. The process by which this has taken place will be fully discussed in Chapter VI. In large industries, except in wartime, there are few irreplaceable employees, even at the top. Despite attempts of industries to personalize employment through personnel departments, men have become interchangeable parts, with a very large supply available, even such highly trained and skilled men as engineers and accountants. Man as a factor in the index of production has declined in importance, with disastrous effects upon man as a consumer. *The individual has been discounted in social value.*

With the other three points goes the fourth: The welfare of people generally is dependent on the financial prospects of great corporations. It would seem that if the devaluation of man had disastrous effects upon the general consumption of products, the revaluation of man would be imperative. To a slight extent that is true. The Industrial Revolution has produced giant corporations, which, while they may not even employ a majority of those working in industry, nevertheless set the pace for productive enterprise as a whole. Size of operations is not of itself important here; function and purpose are more important. These corporations exist to make

profits, and there are other ways of doing so than by making as much as possible to distribute as widely and cheaply as possible. Relatively quick returns are more desired than long-range planning for a sustained level of prosperity. Hence the most satisfactory method of making money through industry is by some form of monopoly, combination, cartel, or arrangement. These can be operated just as successfully, from a fiscal point of view, by withholding from production to increase the price, as they can by the reverse. This subject will be discussed more fully in Chapter VII. For our purpose now, it is sufficient to remember that the *welfare of people generally is dependent on the financial prospects of great corporations.*

The first point in our comments on the industrial age—the impossibility of maintaining an adequate standard of living through one's own unassisted efforts—would naturally have developed as technology became dominant in an advanced civilization. That observation cannot be made of the other three points, which are really the result of the fact that the technological advance occurred in the setting of the Harrington-Locke formula and the theory of economic man. There is nothing in mechanized industry by itself which makes it necessary for all employment to depend on its prosperity, for men to be devalued socially, and for the general welfare to be dependent on the financial prospects of great corporations. Mechanized production itself is amoral. The properly designed machine will perform its task just as adequately in any form of social organization.

Referring to the social order in which the Industrial Revolution occurred, Professor Harold Laski says:

It was a social order in which, increasingly as the nineteenth century developed, formal political power remained with the masses, with the substantial authority of the state, with the owners of property. It has been the essential feature of capitalist democracy throughout its history that, while it conferred material concessions of great importance upon the workers, it still left them dependent upon the owners of property for the effective right to live by the sale of their labor. For the motive to produc-

tion was profit; without profit there was no employment to be had. To jeopardize the ability to make profit was, therefore, to jeopardize the opportunity of the workers to sell their labor. The history of the past hundred and fifty years is largely the history of the workers' struggle to humanize the conditions under which they sold their labor-power. It is a history which operates on two interdependent planes—that of economic organization and that of political organization.⁴

Christianity has no fault to find with mechanized production. It is much more concerned with those who own machines, operate them, and buy their products. The Christian religion is concerned with men, the societies they build, and the uses to which they put the technical apparatus they develop.

⁴Laski, Harold Joseph, *Where Do We Go from Here*, page 22. New York: The Viking Press, 1940.

CHAPTER V

The Machine-age Culture

MACHINE PRODUCTION, like any other social phenomenon, has a social setting. The Willow Run plant, for instance, while a peculiarly wartime development, is part of a general American picture, both contributing to it and being influenced by it. The machine age has molded general social patterns in the past, and will influence them even more thoroughly in the future. Machine production is not only a technological development. It is also a dynamic social force affecting civilization generally, and it is within this larger framework that the relationships involved in the problem of work and the machine find their significance. Let us review three general aspects of machine-age culture—the general standard of living, behavior standards, and the urban community. These and other aspects are the background against which workers work and machines run.

The general standard of living, which is not within the specific province of this chapter, is a highly controversial subject. Much depends upon what one means by the term, "standard of living." Yet without being led too far afield, we can consider the subject in general. For our purposes, the term "standard of living" is not a description of something exclusively economic, but rather a value judgment based upon many aspects of life. The motives of a reviewer in citing the standard of living somewhat indicate what he will find when he examines it. Hence the National Association of Manufacturers, interested in justifying present conditions of machine production, can present an impressive array of statistics demonstrating indisputable achievements. On the other hand, Mr. Stuart Chase, who is looking ahead to the future, can cite

equally impressive statistics demonstrating indisputable failures. Mr. Chase declares:¹

The modern standard of living comprises no more food than that of 1830, though the variety is greater, the balance somewhat better dietetically. Living quarters are more crowded, but with better heating facilities, and with marked improvement in water supply and sanitation. Conveniences and labor-saving devices in the home are impressive—electric power, telephones, radios, refrigerators. Nine farmhouses out of ten, however, are still without electric power connection. Clothing is flimsier and less durable, but perhaps more comfortable and certainly more hygienic, except for shoes. Schools are greatly improved and reading matter omnipresent, with the reservation that most of it is not worth reading. Health services are often magnificent, but two persons in five, according to the Committee on the Cost of Medical Care, are unable financially to avail themselves thereof, while mental diseases are on the increase. Facilities for recreation have greatly expanded, primarily as commercial enterprises. Sociologists are inclined to doubt, however, whether play is as rewarding to the individual as it was in simpler cultures.

With still a different point of view, Professor Charles A. Beard offers this analysis:²

With inescapable fatality, the mass production made possible by machinery and nourished by our unparalleled natural resources, accelerated the leveling democracy implied in our idea of progress. Gigantic industries could not flourish without an immense market. And where was that market to be found? In a small privileged class, enriched by the profits of capitalism? Only one answer was possible. The few craftsmen of the middle ages might sell the choice products of loom, forge, kiln and chisel to lords, ladies, bishops, princes and kings, but the masters of huge industries turning out commodities by the ton and the million could thrive in no such limited area of demand. Markets for mass production simply rose above the historic margin of

¹Chase, Stuart, *The Economy of Abundance*, page 9. New York: The Macmillan Company, 1936.

²Beard, Charles Austin, Editor, *A Century of Progress*, page 2. New York: Harper & Brothers, 1933.

subsistence and were able to buy by the ton and the million. Only when the standard of life for the multitude is constantly rising and buying capacity is expanded, can widening outlets be found for the goods which pour in swelling streams from the vast industries made possible by science and machinery. If the American bourgeois were as indifferent, on moral grounds, to the lot of the masses as the French nobility of the eighteenth century to the plight of their laborious peasants, still their enterprises could not develop without a continuous enlargement of the popular market—without a steady growth in the capacity of the masses to buy and enjoy, goods were confined to the classes.

In brief, we might see the standard of living resulting from machine-age production as a balance sheet, upon which can be listed certain positive and negative values directly pertinent to our problem of work and the machine. On the plus side, machine-age production has made its contributions, and on the minus side, it has either raised or accentuated problems which must be solved. Visualized in the following balance sheet, which is admittedly incomplete (an indication of a situation rather than an exhaustive survey), the plus and minus of the machine age make up the standard-of-living background for most of American life.

THE BALANCE SHEET OF THE MACHINE AGE

Assets

1. *Cheap standard commodities.* These are produced by mass-production methods, and are available for most people. They include food items, clothing, household gadgets, reading matter. (See any Sears-Roebuck catalogue, dime-store inventory, or chain-store supply of food products.)
2. *Labor-saving devices.* Some are found in nearly every home. They include washing machines, refrigerators, sewing machines, automobiles. (A visit to either a mansion or a slum tenement finds at least some and frequently all of these.)
3. *Emancipation of women.* Women can live lives almost as much their own as can the men of their families. (Few women bake their own bread or weave their own cloth. A

woman can, within limits, be as self-maintaining as a man. Most urban women can find opportunities for an independent social outlet.)

4. *Increased leisure*, for most urban people, at any rate. (Shorter working hours, better week ends, vacations.)
5. *Better housing facilities*. These are theoretically available, at least for a much larger percentage of the population, through fabricated parts (prefabricated housing is still being delayed), standard designs, easier transportation to suburban areas where property values are lower. (The improvement in housing can be investigated by a visit to the lower middle-class residential developments near any large city. The availability of such homes releases theoretically better old houses to the next stratum down.)
6. *Social-security programs by the government and safety practices in industry*. The hazards of industrial employment have been reduced, with consequently less risk and more security to the breadwinner.

Summary. The plus side adds up to the fact that it is definitely easier for a majority of the population (urban particularly) to keep up with the Joneses and to acquire the material things which most people regard as essential for the good life in the present day.

Liabilities

1. *Inequities in distribution*. Adequate food, clothing, housing are not supplied to those whose productive, and hence earning, capacity is restricted by social forces.³ (The consumer's relative power in the total economic field has lessened.⁴ (Aspects of this will come into later treatment of the main subject of this book.)
2. *Unethical merchandising*. Installment buying, high-pressure salesmanship, and certain advertising mechanisms result in the creation of a difficult debt burden in inverse proportion to earnings.
3. *Family maladjustments*. The effect of the machine age upon American family life might be the subject for a special study.

³Ware, Caroline Farrar, and Means, G. C., *Modern Economy in Action*, Chapter IX. New York: Harcourt, Brace & Company, 1936.

⁴*Ibid.*, pages 53-55.

4. *Unemployment.* Except during wartime, when a highly artificial situation has been created by rapid production efforts, the problem of enforced "leisure" for a wide section of the population is a crucial issue. More on this later.
5. *Housing.* Despite technological developments in this field, a large percentage of the population has to put up with housing that is obsolete, if not worse. Federal housing projects to date have but scratched the surface. (Make a visit to the section between Fourteenth Street and Corlears Hook in New York City, or to any comparable section in any American city. There is also the problem of rural slums.)
6. *Insecurity.* Insecurity has become almost a constant in the family psychology of all but a favored few in American life. Many factors influencing life for good or ill are beyond the control of the individual and his family, while the groups to which they may give their allegiance do not appear to meet the problem.⁵

Summary. The minus side adds up to the fact that the present-day standard of living presents a series of vital economic and social problems, but even more moral and spiritual problems demanding solution.

The Balance

As all audit reports present a balance between the plus and minus, there must be such a balance here. The balance is presented in the following paragraphs:

In this world of standard gadgets, standard brands, and easy methods of getting things done, there has tended to be general confusion between the ends and means of civilization. This confusion is demonstrated by a comparison of each of the assets listed with its corresponding liability. The machine age has tended to accentuate man's inclination to evaluate

⁵A layman in my parish, at a discussion meeting on the subject of the Christian religion's ability to equip people to live constructively amid the problems of the present day, said: "The great problem today is that you can't put your finger on anything. The forces which affect our lives are almost intangible. It makes people have to live from day to day." I believe his statement reflects a very common feeling. See also Murry, John Middleton, *Europe in Travail*, Chapter IV. New York: The Macmillan Company, 1940.

life on a basis of things. The peculiarly wartime situation of restricted commodities underlines the confusion. The average American is patriotic in the sense that he wants his country to win on the battlefield, and that he is willing to make personal sacrifices where their connection with that end is clear. Yet he finds himself befuddled by the way in which the present world situation comes home to roost on his doorstep. The higher cost of living irritates him. The cutting off of some privileges that he has always taken for granted and the curtailment of others present problems of adjustment far greater than the man who is merely willing to make sacrifices can grasp. If his livelihood depends on something other than the strictly war industries, he discovers that he is caught in an economic squeeze. The margins of those on his economic level may be drastically reduced, while at the same time, as he sees with bewilderment and some resentment, those in the mechanical trades are relatively better off. But these things are symptomatic of the deeper confusion which can be brought to light by a survey of the standard of living. Our standard of living is based upon possession, and, while we are beginning to realize that possession by itself does not guarantee satisfaction, nevertheless, threats to possession cause extreme dissatisfaction. The man in the street, Mr. Average American, as against Mr. Consciously Disinherited or Mr. *Après-Moi-le-Déluge*, senses change in the wind, the peculiar smell of the coming storm. He does not understand it. He feels only its threat to the kind of life he knows, and therefore, he does not like it.

A survey of the standard of living is one indication that the course of the Industrial Revolution has a long way to run. It is still in the stirring-things-up stage. It gives with one hand and takes away with the other. It accentuates confusion.

After the standard of living as such, the next important aspect of the cultural background of our machine age is that of general behavior standards. Modern production, which has tended to make keeping up with the Joneses somewhat less expensive and easier (depending, of course, on which Jones

family one keeps up with), has made the world very Jones-conscious. In one sense, the pattern is the modern counterpart of the pattern of every age—the emulation of those socially at the top, or at least on the next higher social plane. Yet, in another sense, the machine age has produced a new behavior pattern, which affects almost everybody within its many-tentacled reach. It has presented a more easily obtainable standard Life Beautiful which is in many ways desirable. Instead of the Jones family in the big house on the hill, there is the standard Jones family whose life and habits and surroundings appear in the advertisements for toothpaste, cleaning powders, furniture, and low-priced automobiles.

Today not only automobiles and typewriters emerge from the assembly line, but ideas come out that way. Modern advertisements are only one manifestation. Standardized entertainment in the motion pictures and the radio, standard news services in the daily press, bring the same messages to all classes and all areas. The concepts of what is good and desirable are largely the same wherever one goes and whomever one asks. They affect alike the employer and the employee, the tenant and the owner, the family on Park Avenue and the family on Delancy Street.

Professor Beard's analysis⁶ is in point:

Within the week of their announcement, the modes of New York, Boston and Chicago became the modes of Winesburg, Gopher Prairie and Centerville and swept on without delay into remote mountain fastnesses. Thus the technology of interchangeable parts was reflected in the clothing, sports, amusements, literature, architecture, manners and speech of the multitude. The curious stamp of uniformity which had arrested the attention of James Bryce at the dawn of the machine age sank deeper and deeper into every phase of national life—material as well as spiritual. Even those who bent their energies to varieties of social reform, to the improvement of education, the management of drives for benevolence, the distribution of knowledge, and the advancement of public health brought the nation within their

⁶Beard, Charles, and Beard, Mary, *op. cit.*, Volume II, page 759.

purview and utilized the advertising courage of the market place. And all these tendencies, springing naturally out of the whirl of business, were encouraged by the conscious struggle for efficiency in every domain, by the discovery and application of the most economical apparatus for the accomplishment of given ends.

Without passing specific value judgments, we can note that there is a tendency toward a uniform social behavior pattern in modern American life, a more profound and significant observation than the fact that there are often grave differences of opinion on matters of policy. While sectional, class, and other interests certainly do color people's ideas, producing a variety of conclusions, there is a marked similarity in premises and in intellectual processes. Like conventions prevail in most parts of the country, along with a similarity of social attitudes. In no way does the machine-age standardization of things reflect itself more than in the tendency toward standardized folkways and mores.

The third cultural aspect of the machine age is urban domination. In the early days of the Industrial Revolution the tendency was to congregate workers' homes in crowded squalor around the factories, and cities drained the young people from the hinterland. Now the pattern of urban sociology is being revised. Slums continue, to be sure; young people are still lured by the deceptive glitter of the cities; but improved transportation facilities and other technological developments have changed the picture of the cities themselves. The trend today is toward the decentralized metropolis made possible by electricity and gasoline.

The exclusively residential community is no longer limited to the rich. Great stretches of lower-middle-class homes make up the peripheral communities of every large city, and these areas, the most susceptible of all to the cultural influences of the age, really make the culture of the city. These sections, along with the districts of cliff dwellers in the larger cities, are standardized America—the boroughs of Queens and the Bronx, for instance, or the towns around Boston, Philadelphia, and Chicago—"suburban heights" all over America. Only the ma-

chine age could have made these sections possible. The cultural center of gravity tends to shift more and more to the inhabitants of suburban heights, with their standardized homes, amusements, commuters' rides, newspapers, radio programs, church and club life.

These aspects of urban life, depicted in the movies, the comic strips, and the soap operas⁷ as the way Mr. and Mrs. America live, reproduce themselves in provincial towns and one-street villages.

The people who live out in suburban heights and in city apartment-house sections have a definite idea of what life should offer. They expect a chance to marry, a child or two, a job, some leisure, two to four weeks' vacation with pay, and some week-ends away. These are not only desired, but are considered rights. If one has them, he tends to assume that every one else has them also, and to forget his own dependence on the creativity of others. Machine civilization makes him feel independent because it depersonalizes his relations to those who supply food and clothing and other services.

Mr. Hoover was not just sentimentalizing when he envisioned his famous "chicken in every pot and car in every garage." That was what the majority of ordinary people wanted at that time, whether or not they trusted his ability to deliver. It is what most of them still want, after thirteen years of depression and war. The suburban-heights type of life, which the movies, the comics, and the radio describe, seems to a large part of the population to be an attainable goal. The little people who attack the New Deal do so because they think it threatens this way of life. The little people who support the New Deal do so because they think it safeguards this way of life. Of course, there are millions who know this kind of American urban life at a remote second-

⁷For comic strips, see *The Nebbs*, *Gasoline Alley*, *Dixie Dugan*, *Tillie the Toiler*, *Blondie*.

For radio programs, hear *Myrt and Marge*, *One Man's Family*, *The Goldbergs*, *Vic and Sade*.

For movies, see the Andy Hardy series.

hand, if at all—the tenant-farmers in the South, the people in rural backwaters, and the Negro people by and large—but it beckons to nearly every one else. There are slum dwellers in every large city, but suburban heights does not seem remote to them. A surprising percentage of the people of New York City's Lower East Side have relatives living in Queens and Nassau. Second-generation Italians, Poles, and Serbs have made the grade and are living with the Joneses, trying to amortize a home and maintain a medium- or low-priced car.

These suburban heights are the apogee of standardization in every aspect of life, and yet in some ways they are the most vulnerable aspect of machine-age civilization. These are the communities which suffered perhaps the most poignantly in the early thirties, when banks and insurance companies found themselves possessing real estate instead of investing funds in mortgages. These are the communities which are feeling most acutely the effect of wartime restrictions, because they are the most dependent on the peculiarly machine-age contribution to living. The slums, where there are no automobiles and electrical gadgets, feel the pinch in other ways. Yet in every center of war industry the suburban community is springing up.⁸

The churches themselves, regardless of denomination, have been caught in the pattern of standardization. The strength of institutional Christianity in this country is not in the great downtown churches with their large endowments and shrinking incomes and congregations. It is in the parishes which serve the suburban communities, where the churches have parish houses that are no longer settlement houses, but are something the function of which has yet to be determined.

⁸Within the radius of a mile of my church in Springfield, Mass., some 250 four- and five-room homes have been built during 1940 and 1941, and as many more are under construction now. Streets exist which were merely drawings on the planning-board charts a year ago. Similar communities exist all over urban America. Interesting examples can be seen from the railroad car windows near Wilmington and Baltimore.

These parish churches in most cases have yet to discover their proper social role. Products of the machine age, with modern equipment, these churches find that the by-products of religion, upon which they have spent fairly large sums, are being more adequately supplied, in more and more communities, by civic agencies, such as the high school with its auditorium, the community house, and the neighborhood cinema, also products of the machine age.

Modern technological developments have made the suburban-heights type of life possible. The commodities which go with this level of living were produced by technological developments, and the producers, in their search for wider markets, developed the credit apparatus that made possible the wide distribution of these commodities. They have created a consciousness of needs never felt before, needs that can be met on the average family budget only by a credit relationship. Suburban heights lives on the cuff.

Those whose human sympathy has led them to discover the disinherited, and hence, to see the very real contrasts between the extremes in the total picture, sometimes tend to overlook the fact that Mr. and Mrs. Average American do not live in either a rural or a city slum, but rather in an apartment or a development. Perhaps they are not average arithmetically, but they have become average symbolically. The Fascists discovered the average life in their countries. We need to recognize it in ours.

The city long has been the focus of the nation's economy, but not to the same extent as in the present century. Factories may be located all over the country, but the directors of a very influential part of industry hold their meetings in lower Manhattan. Decisions affecting the lives of people thousands of miles away are made in the canyons of lower Broadway. The same is true of the other great metropolitan centers—Boston, Philadelphia, Chicago, Detroit, St. Louis, and Los Angeles, and they are in the same economic orbit as New York. Increased capitalization of industry during the last quarter of the last century and the first quarter of this century

has made such a system possible. No longer is it necessary to have the works operating under the eyes of the men at the top. The pattern of centralization has been changed, and while the city itself may appear to be more decentralized, its economic control is even more firmly centralized. Power flows out of the city. The harvest returns to it.

This has been a very cursory review of present-day culture, stressing obviously those aspects for which the machine is most responsible. It is a culture marked by a very pronounced carry-over of the standardized products of technology into all phases of human life. It is a culture of paradoxes in which people are facing at the same time the problems of unemployment and how to use leisure. It is a culture of material advantages for a large number of the people, without any commensurate relaxation of soul. It is a culture where uniformity is at a premium and the city sets the style. It is a culture to which the machine has largely contributed, and in its changing patterns the problems of the machine age must be worked out.

CHAPTER VI

The Evolution of Work

IN ALL AGES most men have worked for a living. Throughout the centuries there has been a social evolution involving work, but men had to wait for the Industrial Revolution before there was a serious change in the content, as well as in the environment, of work. The changes in its content have accelerated work's social evolution.

It is important that the Christian Church, in its task of redeeming the society of every age, should appreciate the forces affecting the lives which it seeks to redeem. Both the content and environment of work have completely changed during the past century and a half. The change is still under way, accelerated by the war. The redeeming Gospel of Christ must be presented today to men whose lives are becoming ever more interdependent, and dimly they are becoming aware that the folkways and mores of a simpler society no longer suffice. The Gospel must be shown to be pertinent to men in a power-age civilization, to men in whose midst a djinn has been released, and who are uncertain as to whether they or the djinn is master of the situation. The path of this evolution will, perhaps, help us better to realize the forces with which we must cope in this perpetual task of translating the Gospel, for the djinn has brought a curse as well as a blessing, and the curse must be removed.

With certain notable exceptions,¹ there was little change in technology between ancient times and the eighteenth century. There were, however, many social developments in that long period, as a primarily slave economy gave way to a feudal-agrarian economy, and then to a mercantile-agrarian economy.

¹The developments in ship styles and navigation, the development of paved roads, the invention of movable-type printing.

It is estimated that more than 80 per cent of the population were employed in agriculture all during this long period. Within this economy cities were gradually growing in size and importance as commerce developed.

The lot of the common worker changed gradually through the centuries, but it changed for the better only insofar as he became able to grasp the meaning of a change. The changes took place usually because the new was more practicable economically than the old, rarely because of human benevolence, although the latter may have forced the issue at an opportune time. Slavery gave way to serfdom in the so-called Dark Ages, because economic stability was increased by making men part of real estate instead of simple commodities in themselves. The development of commerce in the late Middle Ages sounded the death knell of serfdom because an agriculturalist could not shift from mixed crops to a staple unless he could get the serfs off his land. The evolution of the common man in the cities into the journeyman of manufacture was caused by economic necessity. In each change the common worker gained greater social privileges, not because someone wanted to emancipate him, but because it was economically efficient; and for each gain there were corresponding disabilities. The Elizabethan Poor Law would have been unthinkable in the reign of Edward III, but the sturdy pauper was part of the price paid for the enclosures and the prosperity of the wool industry.

The English-speaking colonies in America were developed in this mercantile-agrarian period. Among the many purposes for which they were developed was the supplying of certain raw materials for the English market and for distribution elsewhere through British brokers. Tobacco, the economic staple of the Middle Atlantic and Southern colonies, is an example. The colonies were also developed to serve as an outlet for people forced off the English countryside. They were not developed to compete with English industries, and the economic history of the American colonial period has a larger chapter dealing with the attempts of English manufacturers

to stifle infant competition in the land across the Atlantic. It was specifically forbidden, for instance, to export machine-making equipment, models, or even specifications, particularly those dealing with the manufacture of iron products, to colonial America. Throughout the colonial period most finished manufactured goods of all sorts had to be imported from the mother country. Since many raw materials were handy and the need for the finished products was great, many infant manufacturing enterprises developed and prospered sufficiently to alarm the vested interests in England.

Most of the colonists became farmers because of the greater opportunity for independence in subsistence farming in a country where land could be had almost for the taking. Nevertheless, colonial America developed significant industries in the following order of importance: tobacco raising; fishing, including whaling; shipping and shipbuilding (145 ocean-going ships a year were launched along the northeast coast in the late eighteenth century); rum distilling; textiles and iron products.² An increasing proportion of American raw materials (tobacco, wheat, tanning bark) was sent abroad in American bottoms. The iron industry produced mostly pig iron for English processing, but there was some steel making, rolling, and grinding.

Apart from agricultural workers and heavy unskilled labor, there was a continual shortage of industrial help during the colonial period. Slaves could be used as field hands, and it made little difference if an indentured servant moved on to his own farm when he had worked off his price, but the problem was different in manufacturing. Slaves did not prove too useful in the skilled handicrafts, and every indentured servant was a possible business rival when his term expired. Skilled English journeymen did not emigrate in appreciable numbers. The English system of apprentice and journeyman was the rule in American industry, although it lacked the same

²Beard, Charles Austin, and Beard, Mary, *The Rise of American Civilization*, Volume I, pages 80-90. New York: The Macmillan Company, 1934.

rigidity, in a society where the independence of the freehold farmer was reflected by his urban cousins.

The Industrial Revolution in America

On the eve of the Industrial Revolution, America was ripe for it. Growing in population and political self-consciousness, it was at a disadvantage in commercial relations. The mercantile interests of the mother-country were ready to let the colonies sink or swim, provided a London broker could get a discount either way. In the colonies, 80 per cent of the population were engaged in agriculture, their surplus feeding the other 20 per cent and providing for export a margin that was small except in the case of tobacco. Technologically, the country was backward and dependent on imports. Its manufacturing industries, other than shipbuilding, were small, serving chiefly the local sectional markets. Its standard of living on the whole was low. Its white population was individualistic, independent, and undisciplined. Economic independence, to say nothing of a relative self-sufficiency, was a remote dream, because political independence would not guarantee economic self-maintenance.

English visitors during this period, seeing the country's predominantly agrarian society, contrasted it favorably with tenancy in England and commented on the relative prosperity and energy of American farmers. Yet agricultural practice was primitive. In the town and in the country a day's work was a day's work, and the productivity of a man depended on his hands. Workers were politically limited because of the general rule of property qualification for voting. They had greater opportunities than those in England because, if they were skilled, their labor was at a premium, and in any event they could go west. Otherwise their lot as workers had little to distinguish it from what had generally prevailed since the serfs were freed.

The Industrial Revolution rather seeped into America, first by way of the textile industry. In colonial times, textiles were a home industry; nearly every housewife wove the rougher

cloth for ordinary wear. Those who wanted finer products bought English imports. Such manufacture for sale as there was (for instance, hosiery production near Germantown, Pennsylvania), was on thecrofting basis, just as it was in the old country. In the seventies and eighties Arkwright and Crompton invented and developed mechanical weaving³ in England, but the accurate memory of an enterprising immigrant, Samuel Slater, circumvented the British laws against the export of machinery and models, and when the English developments had been hitched to abundant New England water power, America began her industrial revolution. Wherever a New England stream had enough head of water to be turned into a millrace, textile mills sprang up. When Eli Whitney's invention of the cotton gin made cotton cheap and abundant, the New England enterprises were ready, and it was not long before American mills were supplying most of the American demand and competing with England in the world textile market.

New England proved to be a fortunate place in which to launch the textile industry. Not only was water power abundant, but the type of labor needed was abundant also. It was no longer a question of highly skilled craftsmen. Any person of rudimentary intelligence could learn to operate a machine.

New England generally was a poor place for more than subsistence farming, and so the first great American exodus from the countryside to the cities began. Mill towns grew up along the Merrimack and Blackstone valleys, with workers' communities in crowded squalor around the ugly brick and fieldstone factories. Hours were long, from sunup to sundown. Wages were low. Women and children were employed for the same long hours. Discontent with conditions was discouraged by the threat of new labor supplies from the country, and, when these began to dwindle, of immigrants from abroad—first the Irish, in the forties, fifties, and sixties; then the French-Canadians, then the Italians, and then the Poles. The first great mechanized industry to be launched in this coun-

³The spinning jenny was invented in 1767, patented in 1769.

try, the textile field, had one of the most difficult labor histories. Wages tended to lag behind those in other manufacturing enterprises. Paternalism and new labor kept standards low. The few skilled people among the hands, the power engineers and the loom-fixers, were able to better their own lot, but it is interesting to realize that while there were serious textile strikes, it was not until a century and a quarter of the industry's history had passed that the CIO began effectively to organize the textile workers. Conditions did improve gradually during that long period, but even in the 1930's, wages of twelve dollars a week were not uncommon in the New England mills, and even lower ones existed in the South. In order to support themselves, whole families had to go to work and pool their incomes.

The birth of the New England textile industry also brought women into mechanized industry at the very beginning of the Industrial Revolution, because women could handle the machines as well as men. Women had always worked, but they had not before been engaged, in any significant numbers, in industrial production away from home. Women had spun in the crofters' huts, of course, but now they were working in factories along with their men. The wage-scale for women was lower, however, so that it was difficult for them as individuals to shift for themselves. With the shrewd New England mixture of moralism and economic sense, the mill-owners provided boarding houses for unattached girls in their employ, frequently priding themselves upon the high moral tone of these establishments and requiring church attendance as a factory regulation. Charles Dickens, who visited Lowell in the middle thirties, compared the mills there with those in Manchester, England, and commented on the superior health, dress, and manners of the working girls, the pleasantness of the workrooms, the company hospitals, and the amusements of the employees⁴—"amusements that in Europe would be deemed above their class. . . . The contrast between their

⁴Quoted in Nevins, Allan, *American Social History as Recorded by British Travellers*. New York: Henry Holt & Co., Inc., 1931.

lot and the lot of the English factory girls was a contrast between the Good and the Evil, the living Light and the deepest Shadow." Anthony Trollope made a similar comparison, observing that these conditions were the result of paternalism.⁵ "The workingmen and the workingwomen of Lowell," he observed, "are not exposed to the chances of the open labor market." All this goes to show that the English mill hands were in a pretty poor way.

The rise of the textile industry presented for the first time a large number of people in the employ of one man, and eventually, of one corporation, working for cash wages, which frequently included company houses and company stores, and economically dependent for their living on their jobs. They could only shift to other mills, where conditions were similar, if they were discontented. The mill towns and their environs provided no large-scale outlet for the services of the laborers, and they had no property or land rights upon which to fall back. Eventually, the old Yankee stock drifted away from the textile mills, going into commerce in the towns roundabout or moving west. The Irish followed the same pattern, but new developments prevented the similar migration of their successors.

One first effect of the rise of the textile industry was to make new jobs, jobs which had not existed before, and to contribute to the number of old jobs, freight handling, selling, and the like. During the succeeding years improvements in processing tended to reverse the original trend, eliminating jobs through mechanical combination. At first this was compensated for by ever-increasing factory space, the growth lasting well up to the beginning of the twentieth century.

The textile industry at first used water power, but new sources of power were at hand. James Watt invented the steam engine in 1765. An American, Oliver Evans, working independently, invented the noncondensing steam engine in 1787, so again America was in on the ground floor. Steam power first supplemented and then largely supplanted water

⁵Quoted in *ibid.*, page 411.

power for many manufacturing enterprises. Other mechanical developments followed in the wake of the steam engine. A Scotchman, John Wilkinson, developed the machining process which enabled the Watt engines to have workable cylinders. The rudiments of machine tooling were in operation in both England and America as the nineteenth century began—the slide rest, the power lathe, and so on. Eli Whitney, who is remembered chiefly for his cotton gin, really made a more significant contribution to the Industrial Revolution. He developed systematized interchangeable parts, first in an order for 200,000 muskets for the War Department in 1812. Whitney also invented a power-driven milling machine in 1818. By 1820, machine tools included planers, boring mills, and shapers. The turret lathe was in operation by 1845, and the automatic screw machine shortly afterward.

The Effect of Steam Power on American Culture

The results of these developments in power and their application to machinery were to make almost all manufacturing mechanized, housed in factories, and beyond the scope of any individual operating alone. As the New England farmers had been drawn to the cotton mills, so people generally throughout the Northeast were drawn to factories of all sorts. The result of the inventions of Whitney and his contemporaries was that America was largely able from the start to equip its own factories with the machines to do the work. The machine-tool industry became a significant part of the American industrial picture.

The new industrial system demanded people of varying skills, from the unskilled labor increasingly in demand in the mines, heavy industry, and textiles at one end of the scale, to the skilled workers in the machine-tool industry, the printing trades, and parts of the transportation setup at the other end. The revolution struck the printing trades by the middle of the nineteenth century, while transportation was mechanized even earlier. The building trades were affected by the demand for new types of construction and by the availability of sup-

plies of cheaply manufactured parts and materials. The industries at the lower end of the scale could employ almost anyone who came along, but the other industries required special training and developed their own systems of apprenticeship.

Industry during the age of steam power brought new privileges and new difficulties to the workingman. New opportunities were opened to him by the creation of many new jobs and by the transformation of the processes or scope of the old ones. Many more hands were needed in industry. The development of steam power brought the beginning of technological unemployment, and there were crofters' riots which threatened to destroy the textile mills, for instance. But during this first chapter in the history of the power age, the observation of the classical economists was true—machines created more jobs than they destroyed, and, while a few old hands found it difficult, if not impossible, to adjust to new conditions, the employment situation on the whole was bettered.

To seek these new opportunities, however, the worker of the steam-power age had to live in factory towns under the shadow of the smokestacks. Along with the steam-power factory was born its twin, the industrial slum. As in the case of the textile industry, the factories generally tended to encourage immigration; their owners found that a plentiful supply of cheap labor was the most effective answer to workers' desire for independence. Hours were long. Real wages were low. While men put their hands on more dollars than they had ever seen on the farms, they found that paying for rent, food, and clothing took most of them. Children had little place to play. Frequently the factory settlements were located in river bottoms, near water power or easy coal transportation, and health was affected by the smoke, the crowdedness, and the lack of sanitation in an age that had to learn public health rules the hard way.

In a new way, the steam-power age placed men at the mercy of their jobs. When those ceased, they suffered. Even

in the first flush of expansion in the thirties, men were thrown out of work by a depression. The English visitor, Captain Marryatt, recorded his observation of workless workmen when the railroads and canals shut down in 1837. Man's relationship to his job was on a different basis, making it impossible for the single individual to fend for himself if, for any reason, the doors closed in his regular line. He could not by himself compete with a factory or a railroad. Instead of being a journeyman, competent to turn out a finished product alone, he had become a factory hand who had within his range only part of a technical process, and who could rarely comprehend the whole involved procedure. On the other hand, during this period, a worker who had little stake in the community could and sometimes did go west, seeking a new start in the raw industries of the frontier. While labor organizations were violently repressed, the workers of this period had to deal with unorganized and competing owner-managers in factories, which were limited in size to the efficient operating length of a belt from the power house. In most industries, various workers could know each other, man-to-man, and the possibility of rising through the system was not just a fantastic will-o'-the-wisp. Under such a system labor rights were won slowly by strikes and through movements for political reform. The battle to remove the property qualification from the franchise was won slowly, state by state, and it took the whole first half of the century. Such victories as were gained were seized from the coalition of rugged individual operators, to whom paternalism was frequently the substitute for justice, and in spite of the influence of the landed property class, the courts, and conservative organized religion.

Thorstein Veblen, in 1904, described the industrial picture of the first period of machine power in these words:⁶

So long as the machine processes were but slightly developed, scattered, relatively isolated, and independent of each other in-

⁶Veblen, Thorstein Bunde, *The Theory of Business Enterprise*, page 23. New York: Charles Scribner's Sons, 1904.

dustrially, and so long as they were carried on a small scale for a relatively small market, so long the management of them was conditioned by circumstances in many respects similar to those which conditioned the English domestic industry of the eighteenth century. It was under the conditions of this inchoate phase of the machine age that the earlier generation of economists worked out their theory of the business man's part in industry.

The Effect of Electric Power

The Industrial Revolution was rolling along merrily in the middle of the nineteenth century, but really it had only begun. Steam power and mechanized appliances had just opened new doors. In 1887, Edison opened the Pearl Street power house, and the next phase began. Edison had been looking for a way to make electric lighting commercially practicable and had found it; but the world found something else, too—electric power for manufacturing. No longer were the factories to be limited in size or to locations near power sources.

Dr. Kaempffert makes the following comment:⁷

When the incandescent lamp was invented in 1879, the average American wage-earner had at his command 1.66 installed horsepower. Fifty years later the figure had risen to 23. Engineers usually estimate that a horsepower is equal to 10 manpower. On this basis each American wage earner has the equivalent of more than 230 helpers.

The age of electricity had just been born. William Stanley, working with Westinghouse, developed the alternating current transformer, making industrial application easier. By 1915, regional power pools with interconnecting lines were serving a large part of the country. The Federal Government entered the power-producing field with mammoth hydroelectric installation in the thirties. Dr. Kaempffert estimates that five hundred central stations can eventually serve the entire United States.

⁷Kaempffert, Waldemar, article in Beard, Charles Austin, Editor, *A Century of Progress*, page 28. New York: Harper & Brothers, 1933.

The coming of electricity made possible the development of much larger factories. It made possible modern industrial management, the development of Frederick Winslow Taylor. Dr. Kaempffert says:⁸

Before Taylor's principles were established, the foreman saw to it that discipline was maintained, that new men were instructed, that the work for the day was laid out, and that operations were supervised in a general way. Today these functions are assigned to the trained individual taskmaster whose accurate studies and records show precisely whether or not men and machines are producing a standard amount of work in standard time, and indicate what extra rewards are due men whose work is above the standard. Without scientific management of some kind, it would hardly be possible effectively to administer and control the enormous organizations that mine, smelt, roll iron, and manufacture automobiles and the countless machines on which American industrial civilization depends. Taylor integrated machines and men converted the living muscles and the steel wheels of a factory into a huge mechanism which could be managed by a super-machine-tender, the president.

Technological improvements had been coming along rapidly during the whole history of the machine age, but in its electric-power chapter there were more and more labor-saving devices of both machines and administrative procedure. The new source of power made it possible for one man to control a much more intricate operation than previously had been possible. Remote control of industrial operations is prevalent today, as in the electric-power industry, where substations function without a single attendant, and this control increases the per capita output of each worker. Electric power and its application gave opportunity for better wages and conditions for those in specialized operations, while at the same time those in purely repetitive tasks which could be performed unthinkingly were worse off. The birth of several giant new industries—automobile, petroleum, and electrical—increased the

⁸*Ibid.*, page 35.

demands upon many older enterprises, for instance, steel, and turned public attention away from the specter of technological unemployment, which was ominously raising its head. In some industries, such as cotton textiles, the new turn in events led to a duplication of plants, causing hardship for those in the older manufacturing communities. New England factory owners built new factories in the South, where labor again was cheap and power plentiful, leaving most of their help back North to shift for themselves. The development of new synthetic fabrics such as rayon somewhat eased the situation, since a few northern mills were taken over for their manufacture.

In the electric-power age the average worker, even if relatively skilled, tended more and more to become one infinitesimal cog in an enormous mechanism. There are hundreds, if not thousands, doing identical work in the same factory. In all but the most technical processes, little training was necessary and labor was easily replaced. Henry Ford gives this illuminating picture of the making, by mass production methods, of spring-leaves:⁹

The first workman feeds the strip steel into a punch press, which automatically cuts off the required length, drills a hole, and drops the pieces onto a conveyor belt. The second workman takes them one after another from one conveyor belt and places them on another, which carries them through an automatically controlled furnace. A third lifts the pieces with tongs, plunges them one after another into an oil bath, again kept at automatic temperature, and sets them aside to air-cool, while a fourth man places them on a conveyor which carries them through molten nitrate. A fifth man inspects pieces as they pass. The sixth worker takes the pieces from the conveyor and inserts a bolt in each. A seventh puts nuts on the bolts, tightening them, and an eighth puts on right- and left-hand clips, grinding off burrs. A ninth man inspects the leaves again and hangs them on another conveyor, which carries them by a tenth man, who sprays each with paint. The conveyor carries the pieces above the ovens where the

⁹Ford, Henry, article in Beard, Editor, *op. cit.*, pages 76-77.

previous processing was done so that the paint will dry, and an eleventh man takes them off for shipping.

Yet, as Dr. Kaempffert says, "Without the system and without the tools, it has been estimated that it would require one million men to build ten thousand Ford cars at a cost of \$10,000 each."¹⁰

The worker's relation to his job has indeed changed. Chances of great advancement are smaller in the enormous organizations, where personnel departments try to place each hand where he will be most useful in terms of productive capacity. Instead of knowing the boss to speak to, the employer is represented to the worker by the foreman, the branch manager, or the personnel department. The common worker has become more anonymous as far as management is concerned. While he may have certain advantages in terms of wages, hours, and scientific management over the factory hand of the steam-power age, he has the greater disadvantage that he shares the same employer with men in distant communities with whom it is hard to get together. Mass production does not mean that one enormous concern is housed under one enormous roof. Rather, it encourages a type of decentralization—one part of a machine being turned out by the million here, and another there, and the whole being put together at assembly plants near the center of distribution. Negotiations with this kind of scattered impersonal employer—the company—are more difficult.

American workers, whose growing self-consciousness has led to the evolution of a real labor movement, found that movement, geared as it was to the industrial setup of the steam-power age, incapable of dealing effectively with the new situation. Large manufacturing had become more and more dominated by tremendous corporations with enormous capitalization, employing men in many communities by the many thousand. The battles of Homestead and Pullman had

¹⁰Kaempffert, Waldeman, article in *ibid.*, page 35.

to be won over again, against new and more powerful adversaries. Craft unionism, never really at home in the factories, only scratched the surface, and so industrial unionism, the need of the hour, had its painful and bloody birth.

Other Effects of Mechanization

The Industrial Revolution had also struck at American agriculture. From one viewpoint, its first triumph was in agriculture after the invention of the cotton gin in 1792. Cotton growing became the country's first big business, and agricultural imperialism ruled in Washington during the second quarter of the nineteenth century. Slavery, which had begun to be recognized as economically inefficient, was given a new lease on life. Cotton production jumped from two million pounds in 1791 to forty million pounds in 1801, to eighty million in 1811, and kept on growing to the total of seven billion a year in the twentieth century.

The greatest impact of the Industrial Revolution on agriculture was yet to come. At the dawn of the period, 80 per cent of the population were devoted largely to feeding and supplying other rural products to themselves and to the remaining 20 per cent. With such a ratio, the country could never have coped with its industrial development. McCormick's reaper, 1831, compensated for the loss of labor from the farms. As improvements were made to the reaper, and as other mechanical contrivances for farming were developed, less farm labor in proportion to output was needed. Before these inventions, one man could harvest two acres of grain a day, but even the primitive reaper was ten times as efficient. Secretary Stanton is quoted as saying that the Civil War could not have been won without it, as each reaper released five men for military service.

Other inventions followed the reaper—the chilled-steel plow, the binder, and finally the modern combine. Today two men can cut, thresh, and clean fifty acres a day, the work of 250 men in the old days. The human time required to produce

one bushel of corn declined from four hours and thirty-four minutes to forty-one minutes, and for wheat from three hours and thirty-one minutes to ten minutes. By 1920 only 26 per cent of the population were engaged in farming, and in the decade of 1920-1930, 3,500,000 persons left the country for the cities and towns.

During the evolution of work, women came more and more into the industrial picture, as machines made it possible for them to handle operations which formerly required more physical strength. Women worked at the looms and spindles in the textile industry from the beginning, under the same long hours and pressure as the men, but employment of women was extended into many other fields as the technological process kept on. The machine made up for the difference in stamina, yet in general women received less pay for equal work. The labor demand in the war industries during World War I led to the introduction of women in jobs never before opened to them. While in many cases these jobs reverted to men after the war, a large number continued open to women thereafter. The same trend is being accentuated during the present war.

I have told, in brief, the story of the evolution of the content of work, and some of the social relationships connected with it in the century and a half that mechanized production has been with us. Before that period, manpower, assisted by draft animals, a little water power, and a few windmills, carried the work load. The machine has changed all that. Stuart Chase gives the following inventory¹¹ of contemporary sources of primal energy:

From coal	17,000	trillion	BTU	a	year
From oil	6,500	"	"	"	"
From water power.....	1,900	"	"	"	"
From natural gas.....	1,700	"	"	"	"
From firewood	1,600	"	"	"	"
From draft animals.....	750	"	"	"	"
From <i>manpower</i>	400	"	"	"	"
From windmills	300	"	"	"	"

¹¹Chase, Stuart, *op. cit.*, page 78.

The evolution of work has made its mark upon men in every walk of life. It has transformed the control of industry from the patriarchal type to modern management responsible to so many stockholders that it is responsible to nobody but itself. It has transformed the worker from the man who bent his back and flexed his muscles to the man who is engaged in throwing switches and moving levers, while machines do the lifting and cutting. It has changed the direction of human ingenuity from the individual pioneers to the modern research laboratories, where 30,000 professional scientists work anonymously and co-operatively. It has accelerated invention and hence social change; 4,210,000 patents were granted in the decade ending in 1930. And technology is still advancing. During the last war, aviation and radio were tremendously stimulated, and emerged as important businesses afterwards. What will come out of this war in the way of new processes is hard to tell, but we can be assured that many existing processes will be enormously developed.

Forty years ago James Bryce made some penetrating analyses of the social impact of American industrial life. His observations are still largely true. After commenting on the better standard of living of American clerks and laborers compared with their European counterparts, he said:

The "easier life" does not mean that life is taken easily. It consists in having and spending money, not in doing less work. On the contrary, the rush and stress of life seem greater today in America than ever before. Everybody, from the workman to the millionaire, has a larger head of steam on than his father had. Whether it be true, as many say, that the vital powers are sooner exhausted, I do not know. It would not be strange if this were so. Time is more precious. More pains are taken to save it. More work is squeezed into the hour and the day.

He saw the consumer beginning to be squeezed by the trend of events, and said:¹²

¹²Bryce, James, in *The Outlook*, 1905, quoted by Nevins, Allan, *op. cit.*

Power becomes concentrated in a few hands, be they those of the men who control the trusts or of the men who lead the unions. Is it a paradox to observe that it is because Americans have been the most individualistic of people that they are now the people among whom the cast of combination has reached its maximum?

CHAPTER VII

Unemployment

THE MACHINE AGE CAME, bringing with it the blessings of large supplies of cheap commodities on an almost astronomical scale, compared with what people had had. The machine age came, refining processes, creating new jobs, and multiplying many times the productive output of each industrial worker. But with the machine age also came a curse, the effects of which reach down through all sections of society. It is a curse which cannot be talked out of existence by standard arguments of old-school economists. It is a curse with which the society of the future and the Church purporting to be the spiritual force of that society will have to deal. The name of that curse is *unemployment*.

Unemployment itself is not a new phenomenon, the exclusive contribution of machine production. Labor has been displaced before for a variety of reasons. Inability to compete with slaves led to wide-scale unemployment among the people of the principal cities of the Roman Empire. It was never effectively dealt with—bread and circuses were a narcotic—and the result was a social collapse over a period of several centuries. Evictions and enclosures led to a wave of widespread unemployment in rural England in the fifteenth and sixteenth centuries. The opening up of new colonies in the sixteenth, seventeenth, and eighteenth centuries and the development of new industries in the nineteenth century provided the outlet for surplus population. Society evolved rather than deteriorated, and in the course of that period the whole economy was drastically changed.

Unemployment was associated with the Industrial Revolution from the beginning, as new techniques made old skills obsolete. In the same manner that the crofters were replaced by the textile mills, iron forgers gave way to machinists, shoemakers to large shoe factories, field hands to mechanized agriculture, and blacksmiths to garages. Yet generally during the nineteenth century the forces that had previously eased the strain—colonization and new industries—continued to exert that influence. The old people suffered hardships, but the young and more energetic were able to find new fields for their labors, so that only relatively few were permanently displaced.

The safety valve of colonization was gradually closing as the nineteenth century drew to its end. By 1900, the American frontier was a thing of the past; people could not get a new chance simply by moving west. The other continents that had offered room for settlers were also fairly well staked out. As the so-called backward nations began to develop industrial plants of their own, economic colonization slackened. By 1920 it was generally observable that the curve of population increase, a potent factor during the era of expansion, had begun to flatten out perceptibly. This means only that the rate of population increase had slackened, not that it had stopped. New jobs and new places were the twins which had made the nineteenth century move along, but now, although one of the twins still functioned, the other was dead. The practicality of infinite industrial expansion died with it. Unemployment no longer seemed to solve itself, and people began to doubt whether economic factors alone could solve it.

Unemployment was recognized as a serious problem in the early 1920's, and a White House conference was called to study the subject. While the business crisis of 1921 gave way to a relatively short depression, and then to a prosperity boom, employment curves did not follow the general business index. The problem continued to grow during the 1920's. The *Department of Commerce Year Book* of 1930 shows the following table of decline in the number of productive workers:

	1919	1927	<i>Decline</i>
Agriculture	11,300,000	10,400,000	900,000
Mining	1,050,000	1,050,000	—
Manufacturing	10,686,000	9,868,000	818,000
Transportation	1,913,000	1,737,000	176,000
Total	24,949,000	23,055,000	1,894,000

Owing largely but not entirely to technological development, the number of wage earners was reduced by almost 8 per cent during a period of so-called prosperity.

But the worst was yet to come. When the stock market crashed in October, 1929, men thronged out of the industries to the streets, not to return again. Emergency measures helped the general business picture during the 1930's, and government relief and social-security programs kept most of the unemployed alive, but the problem was not solved. Not until the war industries got under way and the draft called up several millions of the younger men, was the trend reversed. Still the problem has not been solved. Facing it has only been postponed.

During wartime, plants operate at increased capacity. Almost anyone can get a job for the asking. Women work in machine shops and heavy industries. Hurry-up courses, given by both public-school systems and large corporations, hasten throngs of superficially trained new workers to the benches and the lathes. The lure of the job is so great that many younger men and women who are qualified for, and can afford, higher education defer it to pick up easy money. A superficial comparison of 1944 and 1932 shows an almost total reversal of economic pattern. As against supplies of goods, falling prices, shrinking purchasing power, and men walking the streets looking for work, today we have restricted goods, rising prices, and purchasing power that assumes dangerous proportions; while many young people do not want to finish high school because jobs are so attractive. It is no wonder that people are asking what next, what will happen when it is all over, what will be the fate of half-trained, one-

machine men in the technical era once the war-production pressure is relaxed?

Unemployment remains the great industrial problem of the future. If it be true, as F. L. Ackerman says, that "Our economy is so set up that it purchases goods at a higher rate than it produces incomes with which to purchase them,"¹ then the development of machine production has indeed given our generation a curse which may require a social revolution as drastic as the Industrial Revolution to remove. Our industrial fabric has as its rationale cheaper production, making possible wide-scale distribution; but wide-scale distribution rests upon wide consumption, which unemployment progressively cuts down. Under the present industrial and economic system an impasse is reached, since war production is certainly not a cure.

The British economist, Sir William Beveridge, lists four causes of unemployment in existence before World War I, which are still effective today. They are²—changes in the industrial structure through both obsolescence and technical development, seasonal fluctuations in many lines, the business cycle, and the disorganization of employer-employee relationships in the labor market. There are several other causes which will also demand attention. Leaving the subject of technological unemployment for fuller treatment later, let us turn to the other three causes listed by Sir William. They are all relevant to a discussion of work and the machine.

Seasonal Unemployment

The effect of power-age methods upon seasonal unemployment is in two directions. Modern methods have extended the practicable working year for many industries, including the building trades. The large capitalization required for the manufacture of commodities for which there is seasonal demand permits plants to produce against inventory during the slack

¹Chase, Stuart, *op. cit.*, page 11.

²Beveridge, Sir William Henry, *Causes and Cures of Unemployment*, pages 13 ff.

season. On the other hand, the increased specialization of processes makes it difficult for both industries and workers to have second strings to their bows. The problem of seasonal unemployment is serious in an age where most people are dependent on their jobs.

Causes contributing to seasonal unemployment are listed by Dr. Edwin S. Smith as³—the supply in food products, climate's effect upon consumer demand, hand-to-mouth buying resulting from style fluctuations, seasonality in one industry causing seasonality in another, unnecessary seasonality in certain industries, and the traditional summer slump. While some of these obviously have nothing to do with the growth of mechanization, others are directly related. Dr. Smith shows graphs of extreme seasonality in the following industries, all of which are to some extent in an advanced state of power production: steel ingots, cement, automobiles, boots and shoes, paper, tires and tubes, glass, furniture, stoves, clothing, agricultural implements, hosiery and knit goods, and textile finishing. He estimated that between 375,000 and 400,000 workers are annually forced into a period of unemployment because of seasonal factors. His charts show peak employment usually in September and March, with the slump centering in July and January.

Some business leaders have tended to regard seasonality as the most serious aspect of the unemployment problem. "The overhead of labor consists in the fact that wage earners' families live by the year though they work by the day," declared the authors of *Can Business Prevent Unemployment?*⁴ The authors, two of whom were industrialists and two economists, felt that a large measure of seasonal unemployment could be prevented by dovetailing industries and supplementing lines of production and by unemployment insurance in the form of the deferred wage. Mr. Henry Ford suggested subsistence

³Smith, Edwin S., *Reducing Seasonal Unemployment*, New York: McGraw-Hill, Inc., 1931, Chapters 1 and 2.

⁴Lewisohn, S. A., et. al., *Can Business Prevent Unemployment?* New York: Alfred A. Knopf, Inc., 1925, page 145.

farming as a sideline for automobile workers, but he blithely overlooked the fact that we are living in an age of scientific agriculture.

The Business Cycle

The nineteenth century saw several periods of widespread unemployment owing to what has been named the "business cycle." The National Bureau of Economic Research lists fifteen crises and depressions of varying magnitude prior to the great slump of 1929, all due to the fluctuations of the cycle but affected also by special circumstances.⁵ Because the Industrial Revolution progressively tied the lot of the common worker to the general business mechanism, he became increasingly at the mercy of the cyclical forces inherent in a free capitalism. While the business cycle had been observed before 1812 and had caused great hardship, in a primarily agricultural community people in general were not so seriously affected. But as industry absorbed a greater percentage of the population and as agriculture became economically dependent on the cities, the forces that affect industrial activity affected the little people.

As described by Professor Wesley C. Mitchell,⁶ the cycle generally follows a pattern to which, in most instances, special factors contribute. In a depressed period, prices and wages fall; costs are reduced; there is a narrow margin of profit; there are ample bank reserves; there is a conservative capitalization policy; and the semidurable goods in the possession of consumers begin to wear out. Circumstances are favorable for an increase in business which begins slowly and accelerates. New orders start rolling in, salesmanship stimulates purchases, and the credit volume expands; factories go in for new construction. Eventually the advance may assume boom proportions. At the peak, contracts have to be renewed at higher figures; the cost of labor is up not so much from higher wages

⁵National Bureau of Economic Research, *Business Cycles and Unemployment*, pages 6 ff.

⁶Mitchell, Wesley C., in *ibid.*, pages 6 ff.

as from overtime; the cost of raw materials is rising faster than selling prices; tension accumulates in the money market; the credit structure shows signs of strain, and the prospects of business profit are poorer. The crisis begins with attempts at liquidation; the interest rate rises, and loans are called. Industrial output is slowed down; workers are laid off; and the consumer demand declines, all in a vicious circle. Professor Mitchell observed a 30 per cent decline in demand for goods in the industries most affected by the depression of 1921.

The industrial history of America shows that the business cycle by itself has tended to become more and more serious in its effect upon the common worker in the machine age. He has no resources other than public welfare upon which to fall back, and no way of knowing the length of the depression. Unlike the seasonally displaced man he cannot plan on the future. That some of the factors of the business cycle will probably be in effect for a long time to come, is part of the rationale of social insurance, which seeks to break the vicious circle at its worst point—the decline in consumer demand consequent upon unemployment and leading to more unemployment. When the Federal Government lessened its priming of business in 1937, the downward forces of the cycle showed that they were still powerful. No one has yet come forward with a workable plan for breaking the business cycle, and the fundamentals of the profit economy are still untouched. When the cycle, bad enough by itself, is aggravated by unemployment from other causes, as it was in 1929 by the backwater piled up during the twenties, the elasticity of the classical pattern is seriously weakened.

The business cycle is the inevitable result of making the employment of men merely a function of the salability of the goods and services which they produce. Society had been heading toward such an attitude for a long time before the Industrial Revolution, and the coming of machine power and large-scale production resulted in complete surrender to it. Modern developments have underlined the fundamental absurdity of the system. Machines are installed to produce goods

in ever larger quantities; yet goods cannot be bought by men who are not working.

Employer-employee Relationship

Sir William Beveridge's fourth point—the disorganization of employer-employee relationships in the labor market—is also important. While, during the nineteenth century, the demand for labor generally tended to keep pace with the supply, demand grew unsteadily and irregularly. The tendency of American industry, from the days of the first New England textile mills, was to encourage a steady flow of new and cheap labor from the rural districts, from foreign countries, and from exploitable groups within society, such as women, children, and Negroes. The labor market was kept swollen, and, insofar as the law of supply and demand could control the relative cost of labor, this factor in production was kept down. Until the trades-union movement became a force to be reckoned with, employer-employee relations were on a catch-as-catch-can basis, with the employer doing the catching. Staying one jump ahead of organized labor by the development of new technical processes and new types of industry, the employer generally has been able to control the bidding in the labor market. During the course of the battles for such workers' rights as have been gained, strikes and lockouts, while usually only temporary, contributed to the total of unemployed, and still do. Industrial disputes also contributed to permanent unemployment, since employers, to escape granting concessions to their help, could, and often did, move a plant lock, stock, and barrel, from one location to another.

The disorganization of employer-employee relationships in the labor market was only partly a question of collective bargaining. The rise of the so-called "aristocracy of labor" marked another manifestation of the same fundamental confusion. By controlling admissions to apprenticeships, many trades (the building and printing trades, for instance) were able to keep employment somewhat more stable as far as their own members were concerned, which really aggravated the total situa-

tion. The confusion lay primarily in regarding labor as a commodity—one of the costs of production competing with other costs in the total balance. Without always admitting it in so many words, both industry and organized labor held the same attitude, although approaching the problem from opposite positions. Industry encouraged immigration and other new sources of labor, while labor fought immigration and sought to control the other sources to make the supply low and the cost high. This is still the trend. The immigration bills of 1917 and 1924 were regarded as labor victories. Labor is still fighting for the Child Labor Amendment and has fought a long, slow battle in the field of constitutional law to permit the states to regulate hours for women. At the same time, craft unionism in large-scale differentiated enterprises frequently discouraged the organization of other workers in the same industry.

Many of the old-line unions discriminated against the Negro, in opposition to certain industries that imported southern plantation hands, through agents, at so much a head, for work in northern establishments. This discrimination, however, went beyond the original cause; on the one hand, it led to unemployment of this minority group, while on the other hand, attempts at exploitation led to the displacement of other workers already in the jobs. Suffering from this discrimination, the cause of which was not entirely economic, Negroes and members of other minority groups have let themselves be used as strikebreakers in industrial disputes.⁷

As far as collective bargaining and other special rights of labor are concerned, there has been an evolution in both theory and practice, but, while advantages have been won and rights recognized to some extent, the labor market as such has remained chaotic. It must be stated that, despite its achievements, its winning of many battles which needed desperately to be won, the labor movement has not demonstrated, in the present state of industrial relations, that it does not

⁷For a study in this field, see Feldman, Herman, *Racial Factors in American Industry*, New York: Harper & Brothers, 1931.

contribute to the causes of unemployment. In specifically machine-age situations, industrial unionism can escape a large part of the onus placed upon craft unionism, as a cause of total industrial unemployment, but its contribution to the solution has not been significant. It has perhaps equalized the pressure, but not much more than that.

The author has noticed on the part of industrialists, a general confusion on the subject of employer-employee relationships. Factory managers have told him of their interest in the personal problems of workers in their shops—fairly large shops at that—and there is no doubt that their interest is genuine. But in an industry employing thousands, personnel relations are not with Tom, Dick, and Harry as individuals, granted that it is fine to be nice to Tom, Dick, and Harry when they are met as individuals. Personnel relations involve problems of group relations and justice. Neither paternalism on the one hand nor obstruction on the other serves the purpose. The disorganization remains, with its contribution to unemployment.

Inefficient Planning

There are three other important aspects of unemployment to be considered before the final cause, technological unemployment, is examined. The first of these is the bad planning that has marked the development of American industry. As far as interior arrangements went, operators often leaned over backwards to apply scientific methods and to achieve productive efficiency, but they did not plan the larger aspects so successfully. Among the types of wasteful procedure in the American economy are those applying to machine-power production, including the construction of factories, railroads, skyscrapers, stores, warehouses, oil wells, and mines in excess of prudent requirement and use; construction of plants in uneconomic locations, which involves wasteful cross-hauling of both raw materials and finished products; the operation of unnecessary competitive establishments; and the monumental obsolescence rate due to shoddy construction.

Such uneconomic planning is really possible only in an

age of mass production. It might seem that such a system could create jobs which otherwise would not exist. That is not the case, because overcapitalization aggravates the course of the business cycle, sending the whole productive economy into a tailspin. Thus, while raw materials and the machines to process them are available, a large part of the population never gets the goods. Even in so-called good times this is true. It is worse when depression comes. In 1927, for instance, the Wool Institute estimated⁸ the productive capacity of the shoe industry as 730,000,000 pairs as against a possible consumption of 330,000,000 pairs.

During the 1920's, the cotton textile industry developed an entirely new plant in the South, where there was a plentiful supply of new, cheap labor, as yet untouched by unionism. These new factories were operated largely by the same concerns that operated the New England ones. While perhaps in some ways technically obsolete, the New England plant had a capacity that was said to have been capable of supplying the entire national need, with a surplus for export. Of course this duplication of plant left havoc in its wake in New England. Firms which has not moved went to the wall sooner or later, and, when the demand for cotton yarn fell off at the same time the new plant was getting under way (because women stopped wearing cotton stockings), the entire livelihood of thousands of New England people disappeared. One-industry towns, such as Manchester, New Hampshire (which had boasted in its Amoskeag plant the largest cotton textile mill in the country), and Holyoke and Ware, Massachusetts, and West Warwick, Rhode Island, were left destitute. Granted that there were certain efficiency gains in the move, the results demonstrate how poor industrial planning creates unemployment.⁹ Illustrations could be drawn from the steel industry, the automobile industry, and the railroads, as well as from cotton textiles.

⁸Chase, Stuart, *op. cit.*, page 32.

⁹For a full treatment, see Dunn, Robert Williams, and Hardy, Jack, *Labor and Textiles*, New York: International Publishers Co., Inc., 1931, Chapters 1, 2, and 3.

An example of vicious rather than inefficient planning is the practice of many industries of buying up patents, licenses, and rights to processes, so as to withhold goods and services from production. This custom has international ramifications and includes items in every sphere, which run all the way from electrical apparatus, metallurgical processes, and plastics to improved model bee-hives. To the extent that the practice of withholding a new development from production robs the public of something that would become popular, its effect upon unemployment is obvious. Not only does this custom keep men from working in possibly large industries, but the effect extends to the industries that would furnish machinery and materials for the new enterprises. Even old-line labor unions have been involved in the practice of keeping new products off the market, as, for example, when the building trades opposed prefabricated houses. However, it is probable that some of these developments would cause more unemployment in old lines than they could make up for by employment in the new. This likelihood will be discussed a little later under the heading of technological displacement.

There are definite signs that a significant element in American business circles is aware of the relationship of planning to unemployment and is working to do something about it during the war, so that the experience of the twenties may not be repeated in the next postwar decade. A handbook for employers has been issued and distributed by the Committee for Economic Development, a group which includes among its officers and trustees some of the outstanding names in American business. The statements in the handbook reveal that the Committee strongly feels that the survival of private industrial organizations will depend on their ability, through careful planning, to increase postwar employment by at least 11 per cent over the peak employment total of 1940, or to a level of fifty-five and a half million employees.¹⁰ Such an awareness is encouraging. It is, of course, too early to view

¹⁰According to the employment index table on page 115, this would mean an increase to the index level of 119.2.

its results, but it is evident that the men associated with the Committee, which has now in its employ a staff of some of the country's best-known industrial economists, mean business. Their handbook is meant to be used by regional and community industrial conferences and by individual concerns, in assessing possibilities; it describes briefly the planning procedure now being followed in three unnamed establishments of different sizes, organization, and capacity. The handbook also significantly suggests increasing employment in what is commonly called the junior executive level by decentralizing departmental responsibility. This group is too often overlooked when unemployment is considered.

In the absence of planning,¹¹ the economic dislocation created by the present war can completely overshadow the disruption which followed the first World War. We have the lesson of the 1919 slump which characterized the period of reconversion and resulted in some transitional unemployment, a development we must aim to minimize this time. Reconversion after the first World War was not completed until about the middle of 1919. The effort required then was only a fraction of what will be necessary after this war.

The postwar boom which came with the restoration of peace is worth study. In part it was a speculative inventory boom, in part a private investment boom, in part heavy government spending, and thus only to a relatively small extent was it based on sound "capital formation"—that is, investment in permanent structures such as plant equipment and housing, although substantial, was not the dominating factor. Inflationary forces worked without control, resulting in a price boom.

That is the statement of a committee of outstanding American business men. Their program will be considered further in Chapter IX. Equally significant is the booklet, *A World to Live In*, published by Rotary International, which admittedly takes its inspiration from the fourth duty of Vice-President Wallace's "Price of Free World Victory" speech—"the duty to build a peace—just, charitable and enduring. The fourth

¹¹Committee for Economic Development, *Handbook for Employers*, page 15.

duty is that which inspires the other three." Among nine "inalienable rights of man," drafted by Rotary International's Committee on Participation of Rotarians in the Post-war World is¹² "opportunity to work and to receive such economic return from his labor as will enable him to provide himself and his family with nourishment, covering, medical care, and some amount of leisure."

The booklet contains contributions from men of many points of view on many phases of economic life, but most of these men believe that industry must use better co-ordinated and more scientific procedures.

International Trade

Closely related to the subject of inefficient large-scale planning is the subject of international trade. Three great powers—the United States, Great Britain, and Germany—all highly industrialized nations in terms of modern machine power, have gone in for the export business. They have exported finished products to the other nations of the world, but they have also exported the machines to make these products. Even if these machines had not been exported, sooner or later they would have been developed locally. The result is that plant duplication within a nation is repeated on an international scale, with much the same result as internally. There is another result, however. Not only do the industrial nations compete with one another in supplying goods and services to yet undeveloped areas, they also compete with one another in home markets. Since factors vary in different countries—cost of raw materials and labor standards, for instance—many goods and services can be supplied more cheaply by one country than by any other.

Local industries resent poaching on their preserves. Labor fears unemployment. The ensuing result is tariff barriers, but tariff barriers are reciprocal in operation. When countries

¹²Rotary International's Committee on Participation of Rotarians in the Post-war World, *A World to Live In*, Chicago: The Committee, 1942, page 9.

cannot sell, neither can they buy. It would be different in a world so created that each nation had entire possession of some one raw material for which there is universal demand, but that is not the case. Tariff barriers erected against some products cut down the sale of other quite unrelated products. Plants again are not used to capacity. The people of some other land may need their output, but they cannot pay for it. Because of the difficulty in acquiring this needed product, the people in the second country try to find a way to provide it for themselves. Finding such a way, as they often do, they start producing for export, too, and so the whole dizzy wheel of international trade spins erratically.

Among the business developments of the 1920's and the 1930's were international cartels, which were agreements between producers in different countries to limit output and keep prices up, arrangements which did not help the employment situation in any country. As has been recently disclosed in Washington hearings, many large American corporations were involved in cartel arrangements. Under the prevailing economy of the times, the development of cartels was as inevitable as was that of the trusts at the turn of the century, and their effect upon employment was even more disastrous.

The Administered Price

Still another aspect of the relationship of the machine age to unemployment is the administered price. According to classical economic theory, prices were the result of the operation of the law of supply and demand. That is not true in a machine-age economy. The supposed effect of the law of supply and demand on prices rested upon the assumption that the number of producers in any given line would be simply what the traffic would bear. If the prices were high, new producers would enter the field, and so a larger supply would bring the prices down. The capital outlay for most productive establishments was so low before the Industrial Revolution that it was relatively easy for new producers to start, while at the same time the cost of liquidation was relatively light.

This is still fundamentally true in most agricultural production, but it is no longer true of machine-age industries. To take an extreme case, we cannot go out and build another railroad to New York if the tickets cost too much (although we might as individuals take other methods of getting there). The plant and equipment necessary to enter the production of many items require too much outlay for spontaneous competition. The cost of liquidation is very high. Patent rights also enter the picture. Most new industries today have at least to appear to offer a new product or a definitely cheaper process of making an old product.

Prices are not determined by the simple operation of the law of supply and demand; they are determined by the company management, which wants to sell its products for a profit but at a price low enough so that sales will be large. While there is competition between large producers (of automobiles or cigarettes, for instance), no one producer can really control both volume and price, so they can choose between the two. The question faced in setting an administered price is whether profit will be greater from large sales at a low price or few sales at a high price. In boom times, the answer is fairly easy, and industries leap for expanding markets, expanding their own plants and their employment rolls in the process. When depression comes, or even when the business outlook is less favorable, employment is drastically affected. Foreseeing smaller profits, the firm is still confronted by the choice of volume versus price but decides that keeping the price where it is and decreasing the volume of production will be the safest course. In a general decline, the demand for the product falls off more sharply as the price remains fixed, and consequently unemployment is particularly increased.¹³

Ware and Means give the following table¹⁴ showing the decline in prices and in production from October, 1929, to the spring of 1933:

¹³Ware, Caroline Farrar, and Means, Gardner C., *Modern Economy in Action*, New York: Harcourt, Brace & Co., 1936, Chapters 2, 3, and 4, for discussion of administered prices.

¹⁴*Ibid.*, page 24.

	<i>Percentage Drop in Wholesale Prices</i>	<i>Percentage Drop in Production</i>
Agricultural implements	15	80
Motor vehicles	16	80
Cement	18	65
Iron and steel	20	83
Auto tires	33	70
Textile products	45	30
Food products	49	14
Leather	50	20
Petroleum	56	20
Agricultural commodities	63	6

The effect upon employment of an 80 per cent decline in production in the agricultural implement and automobile industries was terrific. Yet people still needed automobiles, and farmers needed tractors. The machine age made possible the administered price. It could not be found under any other economy.

Technological Unemployment

Inherent in the preceding six causes of unemployment in the machine age—seasonal fluctuations, the business cycle, employer-employee relationships, industrial planning, international trade, and the administered price—is the seventh cause, technological unemployment. Stuart Chase calls the whole situation technological unemployment,¹⁵ yet we can discriminate between displacement through technical causes and other kinds of displacement, although it may contribute to the others. When technological unemployment is mentioned, displacement from technical causes is usually what is meant. It is the old bugaboo of the machine age, which for a hundred and fifty years men have tried to talk away and which is still present, indeed more seriously than ever in a day of no more frontiers and a flattening population curve.

Whenever a mechanical process has been invented that does something more efficiently than human hands, men have been displaced. No one doubts that. The problem is—are they, or are they not, permanently displaced? The classical answer,

¹⁵Chase, Stuart, *op. cit.*, pages 209 and 210.

which for a while could be demonstrated, was that the displaced workers were absorbed either into the larger new industry or into new jobs growing out of its development. When many new developments occur simultaneously and markets are constantly expanding, this does take place. It has been the standard doctrine taught in college economic classes,¹⁶ and business generally believes it still to be true, citing the growth of the clerical lines and professions as demonstration.¹⁷ Henry Ford asserts the following:

There is no conflict between providing goods and providing work, and there is no conflict between low costs and high wages. Only through the machine, however, can these conflicts be avoided. . . . Most of our important machines today do not save labor except in the larger sense—they either do things which could not be done by hand, or do things which would not be done at all had not the machine come in to make the product cheap enough to meet a universal need. . . . The factory is not choosing between men and machines. It is doing what millions could not do.¹⁸

Still, technical displacement remains before the house. Dr. Kaempffert lists the development, or invention, of canning apparatus, car-unloaders, cigarette rollers, and typewriters as contributing to the employment decline noted in the table on page 111.¹⁹ Displaced machinists do not become clerks as a rule, nor do displaced stevedores become dentists. The fact remains that despite population growth and despite a period of so-called prosperity, 1920 was the peak employment year in this country until the war-industries boom, for which statistics are not yet available.

Taking the index number of 100 to indicate the number of persons working, volume of production, and output per per-

¹⁶Cf. Taussig, Frank William, *Principles of Economics*, New York: The Macmillan Company, 1927, Volume II, pages 211-212.

¹⁷National Association of Manufacturers, *Men and Machines*, pages 14-16.

¹⁸Ford, Henry, in *A Century of Progress*, edited by Beard, Charles Austin, New York: Harper & Brothers, 1933, page 68.

¹⁹Kaempffert, Waldemar, in *ibid.*, page 37.

son in the year 1919, Stuart Chase gives the following table²⁰ of developments from 1923 to 1929. If continued, the table would show the same trend resumed in the middle thirties.

<i>Year</i>	<i>Persons Engaged</i>	<i>Volume of Production</i>	<i>Output Per Person</i>
1919.....	100	100	100
1923.....	96	122	127
1924.....	89	114	128
1925.....	92	128	138
1926.....	94	131	140
1927.....	92	129	139
1928.....	91	136	149
1929.....	94	145	153

The important last figure, the output per person, continued to rise during the depression, which stimulated the discovery of methods to save money in operations.

Manufacturing methods [says David C. Coyle²¹] have improved during the present depression to such a point that thousands of workers who lost their jobs because of the depression have now become permanently displaced. They will never return to their old places in industry. No conceivable expansion of demand can overcome the accelerated rate at which manufacturing is dispensing with human labor.

Demand being limited, something must give way when the output per capita worker is increased. What of the second argument, that new jobs grow out of developments? The development of the automobile, for instance, created garage and service-station jobs, but there is a ceiling here, too. Dr. Wesley C. Mitchell estimated in 1927 that some 650,000 workers displaced from the primary industries never obtained such jobs.²²

The third argument against admitting the fact of tech-

²⁰Chase, Stuart, *op. cit.*, page 215.

²¹Quoted in *ibid.*, page 219.

²²Cited by Chase, Stuart, in *The Road We Are Traveling*, New York: Twentieth Century Fund, 1942, "When the War Ends," No. I, page 30.

nological employment is the expansion of the service trades and professions. Here, too, there is a ceiling, but a different kind of ceiling. The number of people who can be supported in these jobs is in direct proportion to the ability of economy to supply to the average man the means for availing himself of their services. Employed people hire doctors, dentists, and taxi drivers, while unemployed people cannot. Some service trades—teachers, librarians, policemen, firemen, postmen—while perhaps not adequately supplied, are also limited by the total population figure. Still other service trades, such as office work, are themselves being mechanized. Most of the service trades require special training or aptitude and persons displaced in industry cannot simply walk into them.

It seems evident, to this writer at any rate, that there is such a thing as large-scale permanent technological displacement. Stuart Chase has asserted²³ that this country reached, in 1920, "a point where the output per man-hour becomes so great that the total productive labor must thereafter decline, even as output grows, a point at which labor ceases to be the measure of output as it has been in preceding ages," and in 1925, "a point at which the industrial plant is substantially constructed, requiring relatively smaller outlays for capital goods in the future."

Technological unemployment is an old story, but modern trends have made more hopeless the present-day counterparts of the scene which Samuel Gompers described:

One of my most vivid recollections is the great trouble that came to the silk-weavers when machinery was invented to replace their skills and take their jobs. Misery and suspense filled the neighborhood with a depressing air of dread. The narrow streets echoed with the tramp of men walking the street with no work to do. Burned into my mind was the indescribable effect of the cry of these men, "God, I've no work to do. Lord, strike me dead. My wife, my kids want bread, but there's no work to do!" Child that I was, that cry taught me the world-wide feeling that has ever bound the oppressed together in a struggle against those

²³Chase, Stuart, *op. cit.*, page 11.

who hold control over the lives and opportunities of those who work for wages.²⁴

Those who have recognized the trend toward technological unemployment, and there have been many economists who have done so, have advocated shorter work weeks as the possible solution. Charles P. Steinmetz foresaw a two-hour working day, practical, however, on the condition that there be no family budget beyond "necessities and comforts." The Federal Government has made some official recognition of this turn in affairs, first in the emergency work programs during the late 1930's, and more specifically in the Wages and Hours law.

Technological displacement completes the list of the causes of unemployment, the curse that the advent of machine-power production has laid upon its users. As a final demonstration of the seriousness of the situation, the following table, taken from the reports of the Division of Employment Statistics of the United States Department of Labor, may prove illuminating. It must be remembered that all seven causes contributed to this picture, which represents employment in a country where population was still increasing, although at decelerated speed.

EMPLOYMENT IN MANUFACTURING INDUSTRIES²⁵

Year	Index ^a	Year	Index ^a
1919.....	107.2	1930.....	91.5
1920.....	108.2	1931.....	77.4
1921.....	82.3	1932.....	64.1
1922.....	90.6	1933.....	69.0
1923.....	104.1	1934.....	78.8
1924.....	96.5	1935.....	82.2
1925.....	99.4	1936.....	91.9
1926.....	101.2	1937.....	99.3
1927.....	98.9	1938.....	91.2
1928.....	98.9	1939.....	96.9
1929.....	104.8	1940.....	107.5

a. The index figure, based upon the three-year average of 1923 to 1925, is taken as 100, adjusted according to 1937 census data.

(One-tenth of one per cent represents some 8,400 workers.)

²⁴Gompers, Samuel, *Seventy Years of Life and Labor*, New York: E. P. Dutton & Co., Inc., 1925, Volume I, page 5.

²⁵Figures from *Employment and Payrolls*, a monthly publication.

Almost three years of war postponed facing the issue of unemployment, so that the impact of the true situation was not felt fully until 1930. Another war is doing the same thing now. The 1941 and 1942 employment figures will show an index even higher than that of 1940 (in heavy industry many women are replacing men who are in the fighting services). There are, indeed, those who believe that war is the only effective answer to the problem, but it is a curse worse than the illness. Yet until unemployment is solved—and no half-way measures are going to do it—man will find it increasingly difficult to live with the machine which he has developed. Man invented the machine to make life easier, its goods more available; instead the machine has been placed in an economic system such that man is dependent on it for a living. The combination of machine and system takes the bread from his mouth rather than putting it in.

Employment and Social Security

UNEMPLOYMENT IS THE MAJOR OBJECTIVE SYMPTOM of contemporary cultural dislocation. In spite of its mastery of techniques and its development of efficient methods of doing many things, modern civilization produces situations in which the labor of men is not needed. Along with its devices to make life easier in the home and in the shop and its expansion of recreational facilities, modern civilization continues to threaten its members with the possibility of social uselessness. While there are many types and causes of want in the world, unemployment is the outstanding one in western society.

The problem of unemployment has not been solved by the war. The emergency man-power shortage has largely postponed the necessity for facing it. To some extent unemployment has continued to crop up even in the war industries, with occasional layoffs of departments, discontinuance of whole shifts, and even shutting down of factories. In the service trades and professions it was not noticeable, except insofar as some men of advancing years, who had devoted their entire lives to selling products, found they had nothing more to sell and that their skills were not needed anywhere else. These were but a small minority in a country where stores were in crying need of help, where the ranks of the medical profession were depleted by the demands of the armed services, and where the Selective Service Act and factory pay scales competed to drain labor from other fields.

Industrial unemployment, while largely latent in wartime, has continued to exist. The effect of the business cycle was temporarily eliminated before the cyclical factors had worked themselves out according to the traditional pattern. Technological advances in wartime failed to make the usual displacement, because of the need for men elsewhere. The im-

portance of international factors was decidedly diminished because most competing nations had little to sell for the civilian market and because the output of industrial nations the world over was needed for war purposes. With a commodity shortage and price-control regulations, the administered price ceased to be a factor for labor displacement.

Still, industrial unemployment continued. The factor of seasonality was not eliminated, although its effect was minimized by the ease of obtaining other jobs during slack seasons. Chaotic employer-employee relations continued, even though the effect of strikes does not appear to have been what the reactionary press would like people to believe. Inefficient planning has shown up in many places as the major cause for layoffs of departments and shifts, but the inefficiency was not entirely due to errors of management, some being obviously caused by the system of ordering.

While unemployment continued in some degree to be a problem in wartime, the hardship occasioned by it was decidedly reduced. People displaced in one industry could usually get employment either in other factories or in the service trades. For instance, a paperhanger who worked in the author's home had returned to his old trade while the airplane factory where he had taken a war job was being retooled. The United States Employment Service, by and large, has not had to devote much effort to finding places for unwanted men, even though there has been some evidence of the reluctance of employers to hire men discharged by the armed services.

The Postwar Situation

The end of the war will change the whole situation. Even those observers who foresee a prosperity boom, owing to the releasing of productive facilities to meet a civilian demand after wartime scarcity of durable commodities, regard unemployment as a problem which must sooner or later be met. Many cities, whose populations have been tremendously swollen by an influx of workers, look forward with foreboding

to the future. Many of the newcomers will not return to their former homes. Many of them have had to buy homes in order to have any housing. The war has continued long enough for many to qualify as residents in the communities to which they have moved, so that the states will be unable to ship them away should they become public charges. If the stability of the industrial situation was the controlling factor in the national economy before the war, its importance will be even greater after the war, because of the growth in population of the industrial areas.

It is generally agreed that measures must be taken to provide more adequate employment after the war. There is considerable variety, however, in the measures advocated. They range all the way from a faith in the capacity of private industry to provide maximum employment through co-operative planning, to a belief that government measures of some kind are inevitable. As far as government-financed factories are concerned, some people advocate that they be operated as publicly owned or co-operative yardsticks; others suggest that they be sold to new competitors of existing industries; and still others believe that the general welfare will be served best if they are taken over by the large producers. The official favor which the Baruch-Hancock report received leads one to believe that the third measure will be the one followed, with perhaps something done along the second line, but nothing at all along the first.

The reduction of the National Resources Planning Board to an advisory committee whose reports are only archives and whose recommendations are without official standing and the favor shown to the Baruch-Hancock report indicate that America will entrust the solution of the unemployment problem to the capacity and good will of private industry. This is what has been advocated all along by the Committee for Economic Development and the National Association of Manufacturers Post-war Planning Committee, and it is the direction that most community postwar planning councils seem to have taken. There is apparently less official interest in supplement-

ing private industry by social-security measures than there was a few years ago.

The more important leaders of business are aware of the fact that unemployment constitutes the greatest single threat to the system under which they operate. The *Handbook for Employers* of the Committee for Economic Development says:¹

To provide employment in private industry for these millions of war workers and returning soldiers, we quickly will have to offset the eighty-five billion production of war material with an equivalent output of peacetime goods and services. Theoretically and perhaps factually a total output of one hundred and fifty billion dollars will be required. Perhaps this can be shaded by as much as ten per cent because of the high cost of war goods, but, even after making such an allowance, we are faced with the necessity of achieving a hundred and thirty-five billion dollar output, which is more than thirty-five per cent over that of 1940, a record peacetime year. Furthermore, we have got to reach that new high level quickly—at most within two years after peace—unless we are to have millions of people walking the streets looking for jobs. This is the toughest assignment commerce and industry have ever tackled.

These postwar figures portraying the future merely present a working estimate which can always be distorted by the shadows of unknown events. They are a goal, not a forecast. The one hundred and thirty-five billion dollars of gross output is a minimum goal, probably still leaving millions unemployed. With unemployment reduced to a practical minimum, the capacity of our normal labor force working normal hours would be roughly eleven per cent higher, or one hundred and fifty billion dollars.

Such a maximum level employment is pictured for the postwar year. It should be increased by half a million jobs per year in subsequent years to take care of normal increases in available manpower. Revised estimates of this postwar image will be made as they develop.

Business proposes to meet the problem of unemployment by planning to create more jobs. The National Association of

¹Committee for Economic Development, *Handbook for Employers*, page 4.

Manufacturers proposed in its booklet, *Jobs, Freedom, Opportunity*, to accomplish this by creating an economic climate favorable to investment: "It must be recognized that 'profits' represent a reward for the taking of risks, and that unless there is a hope of 'profits,' job-making risks will not be undertaken. Investment, thus, is the keystone of creating jobs."² The booklet goes on to declare that the only type of investment which will serve its purpose is investment in private industry. Therefore it advocates, as a prerequisite for the solution of unemployment by business, the revision of the tax structure to allow larger accumulation of funds by individuals and of reserves by corporations and the modifying of restrictions governing the issuance of new securities.

Both the American Federation of Labor and the Congress of Industrial Organizations have been planning to meet the problem of postwar unemployment. Their reports on the subject differ, but agree in two important respects. They set the minimum figure for employment at approximately 20 per cent above that of the Committee for Economic Development, and they insist that adequate planning cannot be done by industrial management alone. Government, labor, and the farmers must be brought into harmonious relationship with business if the job is to be done. The basic consideration in the reports of the labor organizations is a high standard of living for the nation's workers, which would create demands for production to meet.³

The Controversy over Social Security

The related controversy over social security is a clue to the meaning of the unemployment problem. Those who oppose advances in social security claim that it will not solve the problem, while the tax burden involved will militate against its solution by business. Those who advocate social security, on the other hand, do not regard it as a panacea for unem-

²*Jobs, Freedom, Opportunity*, pages 16, 17.

³Cf. CIO Post-war Planning Committee, *As We Win*.

ployment. On the contrary, they insist that stable conditions are essential if social-security measures are to fulfill their function.

The rationale of social security consists in an equalization of the pressure of the various social risks (such as maternity, illness, accident, old age, and death), which otherwise bear with disproportionate weight upon the section of society least able to bear them. Social-security programs being developed today also include unemployment compensation as a fundamental part of the total picture. A certain amount of unemployment is inevitable in any economy, owing to such factors as the accidental disruption of production schedules, unavoidable seasonality, transfers of operations, and the like, and compensation for unemployment from these causes is a logical and necessary part of any social-security system. By maintaining a relative self-sufficiency for families who are victims in such cases, social-security systems contribute indirectly to the solution of the unemployment problem. They obviate, at least temporarily, the effect of diminishing purchasing power, which would otherwise contribute to a downward economic curve.

Unemployment that exists because the total productive economy is functionally out of gear is, however, quite another problem. No social-security system can prevent that, even though it may somewhat retard a downward curve from too rapid shrinkage in purchasing power and can reduce the suffering consequent to such unemployment. Any broad-range social-security program must envision the possibility of long-term unemployment, owing to economic as against physical causes and provide for it through public works or some other such program. But social security is designed to handle the minor dislocations within a political economy rather than a major dislocation of the whole economy. The motives of the Beveridge report in England, the NRPB reports in this country, and the Wagner-Murray-Dingle bill are to stabilize a situation that may contribute to larger distress, rather than to prevent unemployment.

Paragraph fourteen of the Beveridge report states:⁴ "The plan assumes . . . maintenance of employment, that is . . . , avoidance of mass unemployment, as necessary conditions in social insurance." The subject is further discussed in Paragraphs 440 to 443 of Section six, in which it is asserted once more that the unemployment-compensation aspect of the program can operate efficiently only if mass unemployment is prevented. The report further adds:⁵

Assumption C [the prevention of mass unemployment as a prerequisite for the plan] does not imply complete abolition of unemployment. In industries subject to seasonal influences, irregularities of work are inevitable; in an economic system subject to change and progress, fluctuations in the fortunes of individual employers or particular industries are inevitable; the possibility of controlling completely the major alterations of good trade and bad trade which are described under the term of the trade cycle has not been established; a country like Britain, which must have exports to pay for its raw materials, cannot be immune from the changes of fortune or of economic policy in other countries. The Plan for Social Security provides benefit for a substantial volume of unemployment. In the industries now subject to Unemployment Insurance, the finance of the Unemployment Fund has been based by the Unemployment Insurance Statutory Committee on the assumption of an average rate of unemployment through good years and bad of about fifteen per cent. In framing the Social Security Budget in Part IV of this report, it has been assumed that, in the industries now subject to insurance, the average rate of unemployment will in the future be about ten per cent, and that over the whole body of insured employees in Class I unemployment will average about eight and one-half per cent. It is right to hope that unemployment can be reduced to below that level, in which case more money will be available in the Social Security Fund, either for better benefits, or for reduction of contributions. But it would not be prudent to assume any lower rate of unemployment in preparing the

⁴Beveridge, Sir William Henry, *Social Insurance and Allied Services* (American edition), paragraph 14. New York: The Macmillan Co., 1942.

⁵*Ibid.*, paragraph 441.

Security Budget. Assumption C requires not the abolition of all unemployment, but the abolition of mass unemployment, of unemployment prolonged year after year for the same individual.

The report also expresses the belief that the payment of generous unemployment benefits will have a stabilizing effect upon purchasing power and the demand for labor, but it specifically states that ways and means for satisfying its basic assumption, the elimination of mass unemployment, are not within its scope. It concludes its section of the subject by stating:⁶

The probable and possible effects of the Plan for Social Security in stabilizing the demand for labor are among its advantages and deserve to be noted. But their importance should not be exaggerated. They are subsidiary measures only; they do not touch the main problem of maintaining employment. For that other measures are needed. Unless such measures are prepared and can be effective, much that might otherwise be gained through the Plan for Social Security will be wasted.

The same premises are found in the more recent American report of the National Resources Planning Board. It will be noted that this report, going farther than the Beveridge report, lists a few steps to be taken in the prevention of mass unemployment. It plans for a systematic military and economic demobilization after the war to prevent a repetition of the 1919 consumers' boom and the depression of 1920-1921. It urges that price controls remain in force during the return to the production of consumer goods "as long as the potential demand is greatly in excess of the available supply." It plans safeguards against the flooding of the labor market, which would have serious effects upon ordinary standards of living, by three measures—the protection of the social-insurance rights of soldiers who left insured jobs for service and of those who enter insured occupations after the war; the payment to soldiers and war workers of a dismissal wage in installments over a period of time, this wage to be made possible by a

⁶*Ibid.*, paragraph 443.

liberalizing of the existing unemployment-compensation system; and the use of public-works projects as a transition measure while soldiers and war workers are being absorbed into industry. The plan likewise contemplates concrete measures to lessen another cause of unemployment, which we have already discussed—the chaotic and wasteful planning of our national producing plants. It recommends the allotment of government-financed plants to numerous operators in such a way as to create a desirable regional distribution, a measure of government participation in the management of certain key industries developed by “a national transportation agency to unify and co-ordinate all forms of transportation, not only railroads and steamship lines, but also aviation and highways,” the co-ordinated public and private development of water power and rural electrification, and other measures in the fields of housing and land development. Fundamental in the NRPB plans are the encouragement of private enterprise through the opening of “the channels of investment opportunity, both large and small,” the prevention of monopolistic privilege, the elimination of avoidable uncertainties in the business-regulation statutes that uphold the rights of labor “to collective bargaining, fair wages and hours, healthy and effective working conditions, responsibility in organization and sharing in management,” and maintaining “the fair share of the farmers in the benefits of an expanding economy.”

The second part of the NRPB report (that dealing with social security) covers the field more fully than does the Beveridge report. It, too, emphasizes the need for avoiding mass unemployment:⁷

Four main points seem to need emphasis. Our economy must provide work for all who are able and willing to work. Included in this is a special responsibility for an adequate youth program which should be an integral part of any Government undertaking to establish security. This will be particularly true in the postwar period. For great numbers whose work is interrupted, the social insurance must carry much of the load of providing an adequate

⁷National Resources Planning Board, final report.

income. Where the insurance or work policies fail to take care of an interruption of income, adequate guarantees of minimum aid and assistance must be given both to individuals and families through a general public assistance system. Where adequate services essential to the health, education, and welfare of the population are not available, public provision should be made for the development of such services.

But no one of this series of proposals should be expected to solve the problem of insecurity. Taken together, they constitute a rounded and integrated program. Any one of them standing alone can be criticized as inadequate, and properly so. Unfortunately, complete and well-rounded programs seldom are able to be adopted at one time. Living is so complicated and our system so intricate that to change it except step by step may create stresses more serious than the evils the program is designed to correct. The program suggested here is not of that kind. It is all within the realm of practical realization.

This is neither the time nor the place to go into an extended discussion of either report. Both are notable achievements. That England and the United States should produce these under official sponsorship, granted that in both countries there are considerable and vociferous legislative opposition and manifest fear and suspicion on the part of certain persons, is a credit to the soundness still potential in western democracy. It is well to review some of the objections before considering the basic relationship of these reports to our fundamental problem.

After stating that "it is essential to weigh human costs against human benefits," which would indicate the desirability of going ahead slowly, the Bulletin of the National City Bank of New York for January, 1943, comments on the Beveridge report as follows:

The real problem of abolishing want is not in finding ways to divide up what we have, but in creating more to divide—of continuing into the future the long record of progress made in the past. This means making sure that our system provides the incentive for millions of persons to strive diligently at their tasks, and for those with capacity for leadership to go ahead with new

projects and seek new discoveries that will employ labor, increase production, and add to the sum total of goods and services that determine the standard of living. If we, in this country, can do this, it will be possible for us, with our huge resources, the demonstrated genius of our industrial leadership, and the effectiveness of our labor force, to establish and reach a goal of general well-being in this country which will not only include the minimum of security, but provide larger opportunities for all.

The bulletin declares that the great burden of the financial maintenance of an inclusive social-security program will fall "upon middle-class families and the most industrious, competent, and self-reliant workingmen's families." This latter point is further emphasized by J. W. Meyers, an economist on the staff of Standard Oil Company of New Jersey, in a very accurate summary of the report, to which he appended his own comments.

Among the proposals of the Beveridge report was this interesting one which was not duplicated in the American report. For income from social insurance to be adequate, it must be based upon the number of dependents in a family, but, as the report pointed out, under existing conditions that might mean an unemployment compensation greater than a working wage. Since such an income is necessary if the social-insurance system is to fulfill its purpose, the report advocates that allowances be made for workers' and nonworkers' children alike. The care of dependent children becomes Assumption A of the report's prerequisites and is discussed in full in Paragraphs 410 to 425, in which it is pointed out that such a universal system will encourage the birth rate without affecting parental responsibility. Mr. Meyers' criticism suggests that children's allowances would be practicable only if they were deducted from the wages as well as added to the social security, overlooking the fact that such a deduction would place employed parents at a disadvantage.

The two criticisms are based upon comparing costs with probable benefits. They do not attack the principle of social security as such. There has been strong criticism of the

two reports by those who do not believe in the principle of social security itself. The motives are many, and the criticisms vary in force, but they generally agree that social security as a principle is in contradiction to the American tradition of free enterprise and individual initiative. They regard it as destructive to industrial incentive, implying that economic advantage is the dominant motivating force in human nature, or in other words, they are underlining once more the Harrington-Locke formula and the theory of economic man. It is obvious that both programs directly affect the business prospects of particular enterprises, such as the insurance companies, although the Beveridge report allows for private- and group-benefit plans. The reports also appear to threaten the economic welfare of an influential professional class, the medical profession, although both reports provide scope for private medical practice—the Beveridge report in Paragraph 431, and the NRPB report in its section on medical care. It should be remarked that both reports regard the widest possible public education as prerequisite. The Beveridge report makes this its Assumption B.

The *New York Times*, in an editorial on the NRPB, saw the social-security system as the first step toward Fascism. It based this conclusion upon the fact that Germany is now Fascist and was, under Bismarck, the pioneer social-service state. Apparently the editor forgot that Italy was Fascist before Germany, without any such record of civic benevolence, which was also absent in the histories of Spain and of Japan. The criticism cites the Post Office Department as a proof that all social agencies must be inefficient and subject to irregular political influences. Finally, the *Times* editorial, following a rather well-marked line, after having called the NRPB report Fascist, calls it Bolshevik. I have taken the criticism of the traditionally restrained *New York Times* rather than the more vituperative and possibly more influential columnists, as it is more indicative of the general reaction to these specific proposals on the shape of things to come.

The work of the Committee for Economic Development,

referred to in Chapter VII, represents a more positive kind of criticism. Its *Handbook for Employers* does not deal with the subject of social security as such, but its major premise is that privately controlled business can remove the need for much of these programs by guaranteeing maximum employment of all potential workers. It is one projected method of meeting the issue raised by Sir William Beveridge in Paragraphs 441 and 443 of his report. The committee believes that private industry has the capacity to guarantee this employment, provided government activity is favorable. One must not read attitudes into the minds of the committee members, but its premise could be extended by some members of the medical profession to cover their field, too, so that little would be left of a social-security program except what exists today—care for dependent children, the handicapped, the blind, and the aged. The members of this committee, which is officially considering only industrial employment, might not go so far as to commit the whole issue to private enterprise, but the N.A.M. committee would. The *Handbook* and similar formulations of policy again bring forward the idea that a prosperous condition in industry is the best guaranty of the public welfare. They do not consider whether the task is beyond their powers. My belief, on the basis of my review of contemporary society, is that while positive improvements can be and ought to be made within the structure of industrial operations, these cannot solve a problem whose basic origins are in the very premises of the criticism.

The Christian Insight

As a matter of fact, the American and British social-security proposals are but the latest and most inclusive and most scientifically worked-out systems of what has been the trend for many years. The rise of industrialism in a culture informed by the Harrington-Locke formula and the theory of economic man made such a trend more or less inevitable. As Professor Harold Laski has observed: "The result of this contradiction between the economic and political natures of

the state transformed it into the social-service state we know.”⁸

Christian insights are particularly applicable both to the criticisms of these reports and to the reports themselves. First of all, a realistic Christianity will not refuse to recognize the importance of economic motivation in our contemporary political economy. The subject has been glossed over too long, and that is part of the trouble. But a realistic Christianity will question whether such motivation is as unconditioned as its supporters allege. That self-interest has been a perennial aspect of human relations since time immemorial, no student can deny, but this motive has not always had an economic expression. Christianity not only questions the historical inaccuracy of the economic motivation of human behavior, but it must also question its desirability and, consequently, the validity of a culture that is based upon it. Christianity recognizes that a desire for economic power, or any other kind of power, tends to make an absolute out of a relative means and, therefore, is an occasion for tragedy and sin. Man's economic activity is capable of both good and evil, and needs a more fundamental orientation. Christianity must at least tentatively approve attempts to remove from the realm of specifically economic operations the satisfaction of such basic human needs as minimum subsistence, health protection, and care for the aged. It must also view with interest Sir William Beveridge's proposal to remove the ordinary care of children from this realm. Making the satisfaction of these basic needs a social responsibility will not solve all problems, not even insofar as the needs themselves are concerned, but it will be constructive.

Secondly, Christian insights demand that the real bases for the criticisms be exposed for what they are, not in self-righteous counter-criticism, but in an insistence upon facing facts. Christianity recognizes that self-deception is an even more powerful force for evil in human affairs than cynical misrepresentation. If fear for the survival of privately operated industry is the cause of the criticism, it must be asked what are the real grounds for that fear? If social security, estab-

⁸Laski, Harold, *Where Do We Go from Here?* page 23.

lished on the widest possible basis, threatens the continuance of traditional industrial methods, must we not find out what is wrong with the traditional industrial methods as well as what is wrong with social security? A profound Christianity must insist that these questions be faced, and that the meeting of basic human needs must be frankly and realistically placed above the privileged prerogatives of individuals.

Thirdly, Christian insights reveal that much of the opposition to these reports is symptomatic of a perennial human problem—the desire to use men to serve specific interests. In the climate of the Harrington-Locke formula and the theory of economic man the problem has been particularly aggravated. This desire is present in one form or another in every social movement; it finds its way into all ideologies, and can corrupt even altruistic programs. In the matter of social security it is easy to observe this third aspect, which must indeed be combated. Its subtle outcroppings elsewhere must be penitently recognized.

On the positive side, Christianity cannot pin its faith in human affairs to social security any more than it can give an unqualified endorsement to consumer co-operatives or to specific schemes of world political federation. That is not to say that Christianity cannot lead men to support these programs. Because the Christian concern is so definitely with the total welfare of all men everywhere, Christianity is directly interested in any program that will be more conducive to men's responding to God and to their brothers. But Christian support, while sympathetic, must also be genuinely critical. It will realize that, to the extent which these and other programs can enlarge the dimensions within which the human spirit may operate both individually and socially, they are for the welfare of mankind and deserve an intelligent support. To the extent that they serve to remove the pressure of want, they contribute to the freedom for growth and development. But Christianity also recognizes that the wider dimensions can lead to both good and evil. In concrete terms, the administration of these proposals, should they be enacted, can be

either destructive or beneficent. Men can be freed, as were the Negro slaves, from one pauperization to another, if mere legislative enactment is regarded as being, in itself, progress.

Christian insights recognize that, while there are certainly dangers involved in every social development, that does not mean that such developments should cease. We should realize that we can retard such developments only at great peril and that the refusal to take obvious steps because they may open the way for new abuses is itself a form of sin. Caution is certainly legitimate, but caution is rather rarely found in unmixed form. It usually serves some special interest.

Christianity, in refusing an unqualified endorsement to any specific program for social betterment, also leaves the way open for the application of scientific methods in the fields involved. It is not for Christianity to say whether the methods described in the Beveridge and NRPB reports will achieve the results desired. It is quite conceivable that improvements can be made and ought to be made. It is possible that other areas of life must also be considered in order to make either program workable. Christianity demands, however, that suggestions and improvements be genuinely scientific rather than clever means to sabotage the programs under a scientific masquerade.

But the contribution of Christianity to the realization of social security is even more profound. Sir William Beveridge stated that the success of his system depended on the elimination of mass unemployment, but declared also that the problem given him to report on did not allow for a discussion of how to do it. The NRPB report has the same premise and does make some specific suggestions along that line. Most of them seem really to deal with the problem of transition from a war economy to a peace economy. Both reports, except for the modifications to the existing political economy involved in implementing their proposals, leave its fundamental structure untouched. It seems that the social-security systems, should they be applied without a more fundamental revision of the total situation, may possibly have the effect of

delaying change by providing safety valves for the pressures of human discontent. In other words, they would be palliatives. It is, of course, essential that human needs be met without waiting to design perfect political economy, but it should also be remembered that social security can be used as a more modern and scientific means of supplying bread and circuses. Sir William Beveridge declared the need for facing the problem of mass unemployment. The American report pointed in the same direction. A realistic Christianity recognizes the danger of halfway measures, even if the measures themselves are good. It supplements the insight of a liberal political economy into the need for the reorganization of the world's productive and distributive machinery by its awareness that only a reorientation will do more than assuage relatively local ills.

Work and Personality

THE TENSION RESULTING from the mechanization of industry, which James Bryce foresaw as long ago as 1905, has continued unrelaxed, though it was somewhat directed into new channels by the wave of unemployment during the past two decades. When industry slowed down, and workers, organized or not, were let out, the tension took the form of conscious insecurity. Today, with the factory wheels humming and the transportation systems taxed, the insecurity remains; people realize that the war has only postponed facing the most crucial problem of the age.

Among the most profound effects of the mechanization of industry is its effect on personality in all strata of society. Regardless of the viewpoint of the third chapter of Genesis that having to work for a living is punishment for sin, man has come to be a creature whose health depends, in great measure, upon his being able to make fruitful and meaningful use of his time. Work, which consumes a large proportion of man's waking hours, is certainly significant. During the days of the slave and feudal economies, when the lot of most working men was physical labor from sunup to sundown for a bare subsistence, there was little time or energy left to ask questions about the value of the job. Even today, when people have more time and are less physically exhausted (war-industry workers excepted), they do not ask themselves and society the questions they ought to ask. But unasked questions, nevertheless, are widely felt.

Turning first to the effect of mechanized production upon those who are working, we remember that the human back and biceps are taking a more and more subordinate place in the modern industrial setup. People do not wear out through sheer physical exhaustion at the rate they once did. That,

perhaps, is a contribution on the positive side which has come through the development of modern techniques. There are still plenty of men who work with pick and shovel in the service of modern industry, but their activity is becoming restricted to minor operations and small repair work. Even mining is being mechanized. On the other hand, the jobs of the present tend to become increasingly exacting in concentration and method, so that nervous strain replaces physical exhaustion.

One cause of strain is being reduced. Industrialists have been made to see the value of industrial safety methods, so that the physical hazards of industry have in recent times been reduced. Workmen's compensation laws, forced through by organized labor, have provided powerful leverage, because insurance companies do not like to pay benefits for injuries which might have been prevented by the installation of safety devices. The invention and development of these safeguards for factories, railways, and mines have been one of the interesting results of the technological trend. While there still remain hazards to be overcome and even battles for simple justice to be won, the trend for some time has been in the direction of greater respect for the worker's physical health and safety. Coerced or not in its origin, motivated or not by economic considerations, this development exhibits another positive contribution toward the well-being of personality.

The Cash-value Theory of Work

Whether the technological trend has made jobs in themselves more interesting, or less so, is a question. Interest depends in a measure on the value of the job being done. In a society which tends to gauge value primarily by dollars and cents, standards become confused. Stuart Chase, after studying the United States Census of Industries of 1920, estimated that 8,000,000 man-hours a year were wasted in the production of useless or vicious goods and services.¹ While most of

¹Chase, Stuart, *The Economy of Abundance*, New York: The Macmillan Company, 1937, page 18.

the people engaged in this production probably did not make such an evaluation, certainly a minority did, but because of economic pressure they stayed where they were. Men tend to measure their work by financial considerations alone, regardless of the social value of what is being done.

In fields where the social value of the work is not denied, the question of interest still must be raised. Those who saw Charlie Chaplin's movie, *Modern Times*, remember the hero, with his wrenches, doing one assembly-line job so automatically that it became a behavior pattern. I find it hard to believe that those whose duties are similar to the one Chaplin caricatured or who, like the men making spring-leaves for Ford cars, lift steel bands from one conveyor to another find much stimulation in their jobs. The weekly pay check may make the job seem desirable, but the value is then based upon cash, not upon a realization of the worthwhileness of the job. While some of the young men whom I know have snatched eagerly at machine-tool jobs because they were natural machinists, who derived real satisfaction from working with power lathes and grinders, the majority did so because the pay rate in these jobs is good in wartime.

Part of the possible enjoyment of work has been diminished because the individual job, in most modern industry, is necessarily a very small part of the whole. Nevertheless, many jobs today are needlessly monotonous and routine, and when people are engaged in that kind of work it has an effect upon their personalities. At the least it is narcotic, while at the extreme it can lead to personality disorders. That industries are recognizing this to be true is demonstrated by the establishment of modern personnel departments which in many plants make a genuine and scientific effort to place men as effectively as possible, because better production results when a degree of satisfaction is found in the job.

The Problem of Fatigue

Another effect of modern technology upon the personalities of the employed is caused by the continuous pressure for

more production which marks most industries, wartime or not. Even in bad times, with fewer orders and fewer hands, industry drives its employees hard in an effort to save production costs. In many plants, machines are regrouped so that one man can handle more operations. Time studies are made to eliminate workers' breathing spells by keeping their work coming to them in a continuous flow. While part of this process is in the interests of genuine industrial efficiency, part is what workers call the "stretch-out," known in industry as "labor-extension."² I have investigated employees' reactions to time studies in a variety of industries. The effect of pressure, and of stretch-out methods in particular, is to produce a high degree of nervous and often actual physical exhaustion as well.

Industries whose labor practices are more benevolent in this regard than some of the textile mills (notorious offenders) are still interested in speeding up their processes. Under the pressure of war orders, with three shifts working wherever possible, the situation has become acute. In many industries the workers' health has been affected. For example, confronted by the demand for an increased production of Garand rifles, the United States Army Arsenal at Springfield changed its working-hours policy three times during 1942. It abandoned the full seven-day week in most departments after finding that production results from overtired hands were poor. This is not a question of overtime pay; it is a question of what the human mechanism can stand. United States Navy production officials have told the author that there is a marked decrease in efficiency among the employees on the late night shift.

In the past people worked the clock around in back-breaking jobs, but in the main, their lot was easier than that of the man in modern industry engaged in precision work with complicated machines. When the heat of production pressure is applied, even with overtime pay, the effects upon the hu-

²In the textile industry, cf. Dunn, Robert Williams, and Hardy, Jack, *Labor and Textiles*, New York: International Publishers Co., Inc., 1931, Chapter 6.

man being are bad. Granted that wartime production is an emergency requiring special sacrifices, the situation is still serious. In less strenuous times, however, when there is no shortage of available workers, the cash valuation attached to work leads workers, while protesting the stretch-out, to welcome overtime rather than to insist that additional hands be employed; and this in spite of its effect upon their own physical and mental health. The cash-value theory of work is the inevitable corollary of the theory of economic man.

These three aspects of machine-age production—monotony, pressure, and the cash-value theory of work—result frequently in the worker's losing sight of the real purpose of his job. The development of mass-production operations has entailed the loss to the individual of a feeling of craftsmanship. But aside from that, the sense of personal significance and subsequent personal responsibility has been suppressed. The modern worker seldom finds his task a source of satisfaction. The value of the job is gauged mainly by what it pays, not by its significance in a technical process. It is not surprising that there is considerable office and shop politics in most industries, because people do not feel themselves to be members of a productive team, but rather to be in competition one with another for advancement to positions of higher pay and more authority.

Moral Compromise

Still another aspect of the present situation is its effect upon those with professional skills who are employed in industry. The necessity for compromise in the workaday world rubs most people's idealism thin, but being required to prostitute one's talents is morally destructive. Except in rare cases where specialists are so much in love with the scientific side of their jobs that they see little of what is going on around them, modern industrial practice does not foster among its scientifically trained men a respect for truth for truth's sake. In an industrial system organized to make profits as quickly as possible, sound long-range planning is abandoned for prospects

of immediate return. Engineers have explained their own experience of this to me. It is also difficult to see how the effect upon scientifically trained personnel can be other than demoralizing when they are required to devote their talents to finding ways of making semidurable goods wear out faster, so that there will be greater demand for replacement.³ On the other hand, as some engineers themselves admit, those of their profession who take on management responsibilities tend particularly to forget the human element in the work under their control. The time studies and the stretch-out are some of the results of industrial engineering.

A study of work and the machine should include the work of everybody affected by modern industrial development, even if he may happen to sit at a corporation president's desk. Here again the fact that processes are given a cash valuation has disastrous results. Some of the most overworked men in the whole industrial picture are in management, and, while it might be stated that all they have to do is to relax the pressure, that is not entirely within the power of any individual or group of individuals in an economy still relatively competitive. The fact that many executives claim to like the pressure and the challenge to rise to even higher and more lucrative positions within the system is beside the point. The effect on them is to pervert their sense of values, with consequent myopia toward human considerations. I have known many men who owned factories or were high in the textile industry, and they were delightful, cultivated, and charitable persons, yet their factories conformed to the general pattern of the industry. After all, under our present economic system, success in management is measured by profits earned. Profits never seem to be threatened under paternalism, whereas they frequently are threatened by elementary justice.

The Problem of the Will-to-Power

Another aspect of the effect of machine-power development upon those in management is the increase of the ever-present

³See Arnold, Thurman, *Atlantic Monthly*, July, 1942.

will-to-power. Most typical modern industries are large establishments requiring a tremendous capital outlay, and hence there are many stockholders. Hired experts manage the industry on their behalf. In some very large corporations it is impossible, even with proxies, to have more than a minority of the stock represented at an annual meeting. The result is that management becomes a self-perpetuating class responsible, in theory, to the stockholders, but, in fact, to nobody but itself. Thus the management group within industry, frequently blind to its relations to both employees and stockholders, tends to run industry for its own benefit.⁴

Another effect upon those in management is that they are tempted to use community programs designed for other ends to serve perverted purposes. In 1926, a minor executive of one of the country's leading manufacturing concerns said in an address to new men in his department: "There is nothing altruistic in the ——— Company. Its public donations to worthy causes and its humanitarian endeavors may appear to refute this, but a business corporation is created for, and exists for, one purpose only—to get money for its owners. The recent large contribution to the building fund of the local Y. M. C. A. was for the purpose of public 'goodwill' toward itself." This was an honest statement of the nonhumanitarian motives which constantly threaten to corrupt the social responsibility of those in executive positions. The same motives may be found in all ranks of society and in all walks of life, but in the field of management the opportunity to follow them and the temptation to use them are increased.

The Lack of Sufficient Work

The foregoing is a review of the effect of the modern system upon those who are working regularly. The same forces generally affect those who work sporadically or seasonally, but there are added factors. Students of seasonal unemployment

⁴For a full review of this aspect, cf. Ware, Caroline Farrar, and Means, Gardner C., *Modern Economy in Action*, New York: Harcourt, Brace & Co., 1936, Chapters 2 and 3.

agree that one of its most damaging effects is to decrease the efficiency of the worker. "Irregular work breeds irregular workers," declare the authors of *Can Business Cure Unemployment?*⁵ And Dr. Edwin S. Smith states:⁶ "The social point of view starts with the premise that year-round employment is best for the worker's well-being and satisfaction. A steadily employed worker develops habits of industry which a worker employed part time, even at an equivalent annual wage, is unlikely to attain." It is obvious that the part-time or seasonal worker is under continuous economic pressure to earn his full year's support, a pressure reflected by the frequency of industrial disputes among seasonal workers.

The machine age has also produced a large group of people who do not get the work they need, if by work we mean the fruitful and meaningful use of time. No one wants a return to the days when every housewife was a household drudge, yet the fact remains that a great many middle-class women are saved a great deal of labor and time with nothing in particular to show for it. A high-speed age tends to be an age of small families. Fewer children and many labor-saving household devices have made the lot of the average urban married woman a great deal easier, even in the relatively low-income brackets. Many married women work in industry, yet in a fairly large number of both private and public establishments, rules against them, temporarily suspended in wartime, were placed in effect during the depression. Women's clubs, church societies, and welfare groups provide some outlet for their energy, but it is doubtful whether these channels actually provide a socially useful purpose for living for a significant proportion of the many women affected.

In agrarian days, children were part of the farm personnel. In the early days of industry, child labor was pitifully ex-

⁵Lewisohn, S. A., et al., *Can Business Prevent Unemployment?* New York: Alfred A. Knopf, Inc., 1925, pages 110 ff.

⁶Smith, Edwin S., *Reducing Seasonal Unemployment*, New York: McGraw-Hill, Inc., 1931, page 35.

ploited. While a child-labor problem remains today, the average urban boy or girl does not have to do much serious work until school is finished, and this is almost as true in the slums as in the more privileged sections. Within limits, family chores served a useful psychological purpose, but there is little opportunity in the average urban home today for chores which are more than made-work. Dr. L. B. Hohman, child psychologist at Johns Hopkins, regards the lack of reasonable worth-while tasks for children today as a definite social liability, because without such opportunities it is difficult to teach responsibility.⁷

As machine-power economy has been working itself out, there has been some shrinkage in the relative number of persons who did no work harder than cutting their coupons. On the other hand science has added to the general life expectancy. As modern industry has made general maintenance easier and as pension systems of one form or another have been developed, there has grown up a large group of unemployed later-middle-aged and elderly people, who had no children or whose children are grown. These persons still have energy, which many of them would like to use, but in most cases that energy finds no significant channel. This largely middle-class group is a definite result of the machine-power age. Perhaps their number is not very large as yet, but with population trends as they are and with earlier retirement ages in industry to be anticipated, the percentage will grow.

It would be fair to say that the effect of the machine-power age upon those who do not get the work they need—women, children, retired people—has been to increase what we might call the “bourgeois neuroses” (which at least give employment to psychiatrists even if otherwise socially wasteful). Among the women and the retired people the situation is frequently ripe for silly and socially destructive cults and fads.

⁷Hohman, L. B., *As the Twig Is Bent*, New York: The Macmillan Company, 1940, Chapter 8.

The Problem of the Use of Leisure

While certainly most working people get more work than they need instead of too little, even they are affected by the problem of the fruitful use of leisure time, which might be considered in this chapter. Except during wartime, working hours are generally shorter. Tension and nervous exhaustion in industry are reflected in the use of leisure. Entertainment is either an escape from the situation, or a variant form of emotional strain. Recreation is largely commercialized and in many ways is a technological product, and its chief tendency is to turn Americans into a nation of spectators. The development of many public golf courses and tennis courts does a little toward solving the problem. I have talked to a number of textile hands who are ardent public-links golfers. The workers' education movement⁸—night schools, extension courses, and the like—to the extent that they are not dominated by the cash-value theory of work, is another contribution to the solution. On the whole, the lack of fruitful use of leisure time is one of our important unsolved problems, and personality is being destroyed because of it.

The Problem of the Unemployed

The effect of the machine-power age upon those who cannot get the work they ought to have is one of the most terrible in human history. For men to find themselves in the discard, for young people to graduate from school without a future, for men in industry to know that each succeeding year of their age will make it harder for them to get new employment—all breed fear, insecurity, and psychological disorders. If a system is judged by the use it makes of men, one that impersonally condemns much of its manpower to idleness stands convicted of inefficiency, if nothing more. Idleness not only wastes the productive capacity of men's arms and brains; it forces these men to deteriorate. The evolution of the un-

⁸For a review of workers' education, cf. Meyers, James, *Do You Know Labor?* Chapter 16.

employed into the unemployable is a familiar pattern to social case workers. America had 15,000,000 unemployed in 1933, and the stabilization under the New Deal left the figure at about 10,000,000 in 1937. To the extent that the machine-power age is the cause of modern unemployment, and it is almost completely responsible, to that extent it has been destructive of human personality.

Unemployment has led to many attempted palliatives and one needs mention here. It does not touch the cause at all. This is made-work, a great deal of which was carried on under government auspices during the depression. At the beginning it was very crude. I remember watching gangs of pick-and-shovel workers demolishing the earth embankments of a discarded reservoir. They took about two years to do a job which they knew and everybody else knew could have been done within a month with a few steamshovels and trucks. The effect of doing an almost useless job in order to support one's family cannot be underestimated. It could be observed in the shiftlessness of these men. As the WPA gained experience, its methods and its projects were better, but it is not without reason that the WPA worker is caricatured as a man resting on his shovel. Probably in the days of the depression, made-work helped keep the country going, but when unemployment is faced again, the effects of made-work, should it be necessary, will have to be deeply considered if the experience is not to be as destructive as in the past. The results of made-work in an age of technology are an answer to those who would heal the modern illness simply by setting back the clock.

During the depression various popular magazines featured articles about unemployed men who made themselves jobs by providing unusual services. While these projects may be tributes to the resourcefulness of the men who developed them, the number who could do so is limited. One of the curses of unemployment is that the unemployed man knows he is relatively helpless when it comes to doing anything about it. Local situations may give an individual a break, but the

average industrial worker cannot easily become self-maintaining. I have observed the psychological difference which social security has already made. At the least it lets the unemployed man down easy, and at the best it keeps him psychologically employable much longer.

The Problem of the Family

Family life generally has been affected by the machine-power age, and the family appears to be temporarily, at least, the worse for the encounter. Part of the effect is due to the increased tension, which has resulted in families that are smaller and certainly less cohesive. Part of it is due to the type of modern dwelling which has come to be regarded as desirable. Part of it is due to the average man's inexperience and a lack of resources for handling leisure time. A great deal is due to the centrifugal effect of the whole cultural pattern. A great deal of it is due to unemployment. A statistical correlation between the machine-power evolution and the rising divorce rate could be demonstrated. Even where the family appears to be well adjusted, most of these causes operate. It is certain that the average family, almost to the extent that it is affected by currents of the age, finds less satisfaction in family life.

The Problem of Personality

The machine-power age has made and is still making its impact upon personality in every walk of life. When we remember that machines are impersonal and that the work they do can make many aspects of life pleasanter, we understand that their effect upon personality must be largely a matter of the way they are managed. If, in adding things up, we discover that there is a large negative element in the total effect upon personality, we must admit that the responsibility for this state of affairs is ours.

Could it be that the negative effects upon personality demonstrate the final absurdity of the cash-value theory of work? This theory was already in existence, of course, when the

machine put in its appearance, and, to give the devil his due, contributed in the past to the emancipation of the common man. That he might have grown in the awareness of the meaning of free personality without it may be true, but is irrelevant, because we cannot second-guess an historical process. In an increasingly mechanized and electrified age, where the contribution of manpower is declining in the total industrial index, such a theory can only bring hardship and suffering, because it is not consonant with the facts of contemporary human experience.

As we have surveyed the effects of the machine-power age upon personality, it will be noticed that the cash-value theory of work seems to be the influential element in every destructive situation. That is true in all phases of industry, from the top to the bottom. As Thorstein Veblen observed forty years ago:⁹

Industry is carried on for the sake of business, and not conversely; and the progress and activity of industry are conditioned by the outlook of the market, which means the presumptive chance of business profits. . . . Serviceability, industrial advisability is not the decisive point. . . . The decisive point is business expediency and business pressure. The vital factor is the vendibility of the output, its convertibility into money, not its serviceability for the needs of mankind.

If this is true in industry, and the cash-value system has a destructive effect economically, the carry-over into the realm of personality is equally pernicious. Exponents of the profit economy insist that it contributes to incentive, but this never seems to me to be sufficiently critical, as there are incentives and incentives. The test of a system is, after all, what it does to people.

As we have already observed, the cash-value theory of work is really but the manifestation of the Harrington-Locke formula and the theory of economic man in labor rela-

⁹Veblen, Thorstein, *The Theory of Business Enterprise*, New York: Charles Scribner's Sons, 1904, Chapter 3.

tions, accentuated to the n th degree by mechanized industry. As long as there is a reasonable opportunity for most people to obtain employment, this theory of work, while destructive in its effect upon personality, can be borne. But when unemployment becomes a major social phenomenon, the result of a system of valuing men by the economic functions they perform is that they become valueless because they have no real economic function any longer. The various work-relief measures fail to give them any such valuation. When we remember that all along the line, from unskilled labor to highly trained professional men, there is nothing fundamental in either personality characteristics or vocational equipment to differentiate the employed man from the unemployed, yet that the latter is socially disqualified by the standards of economic valuation, we ought to be able to recognize the absurdity of the situation. Those equipped with Christian insights may be able to see a meaning to the problem in terms of Christian orientation, but those whose Christianity is merely traditional or environmental are driven to despair.

While we are considering the American scene primarily, our observations are pertinent to the world as a whole, and particularly to those countries and areas which have developed a fairly high industrial civilization.

CHAPTER X

The World Community

WAR IS THE MOST TERRIFYING SYMPTOM of the cultural dislocation of modern civilization. While the nature of the maladjustment is confused by the manner in which the nations of the world are aligned, the conflict demonstrates unmistakably the seriousness of the breakdown. War, in its modern development, also demonstrates that the underlying problems are world-wide.

The era from 1914 to the present is the era of the World War. Because the underlying issues of World War I were not dealt with adequately in the settlement and were further confused during the succeeding twenty years, the era as a whole has a unity. The shifting of Japan and Italy from one side to the other during the interval does not invalidate that unity, because the underlying problem remained the same, except that it was magnified.

The devastation and horror caused by war brought a strong protest against its use in international politics long before the achievements of the twentieth century gave new scientific efficacy to the engines of destruction. The movement to do away with war antedated the new dimensions which have been attained in the present conflict, in which the pressure of disintegrating cultural forces has led to systematic modern barbarism. It is more than likely that the reaction of many people to the experience of World War II will lead to a still stronger protest against war in any form.

War, as Clausewitz pointed out a century ago, is the extreme manifestation of political policy. Because of that fact war cannot be separated from cultural dislocation and be discarded all by itself, leaving the rest of the problem untouched. If it were not for the modern habit of externalizing

the problems of the universe, this fact would be realized. In a political economy which makes men merely functions of economic processes, and politics merely a channel through which economic problems are handled, it is unthinkable that humanitarian ideals can have sufficient weight to accomplish a genuine renunciation of war.

The function of war in the modern world is to implement the international aspects of political economy. This is different from stating that the causes of war are solely economic. The pressure that forces nations to undertake military operations against their neighbors and the causes underlying those pressures are not identical. The purposes for which men fight are still farther removed from the causes of modern war. If the pressures resulting in war are only incompletely understood, the goals must be a rationalization of the relationship of a people to a disturbance which challenges them, but which they do not comprehend.

The nature of modern war, inherited through the history of nationalism, puts the conflict on the level of a quarrel between nations. While the description may have been relatively adequate a century ago, it confuses the underlying problem today. It is significant to realize that every country involved in World War II, with the possible exception of Russia, had to contend with a fifth column at home. It is also significant to realize that few of the countries which desired to maintain peace and neutrality were able to remain out of World War I or World War II, and in those instances where a precarious neutrality was maintained, it was only because the economy of that particular state was geared into that of one of the warring factions, and it was not possible or worthwhile for the other side to do anything about it. In its very nature modern war involves the whole world and cuts across the nations.

The World's Single Economic Pulse

To appreciate the situation in which modern wars are waged, it is necessary to look at the meaning of international

relations in the modern world. For more than a century men have been observing that the world as a whole is growing smaller. The invention of the telegraph one hundred years ago and the later development of the transoceanic cable revolutionized the means by which man makes contact with man across the distances. Inventions in the field of communications and the development of efficient steam transportation revolutionized an area of man's life in which there had been little fundamental change in more than two thousand years. The machine age has given a new orientation to international relations. The inventions of a century ago were but the start of a movement. The airplane, the automobile, the telephone, and the radio carried on the process, while previously existing railroad and steamship services improved in efficiency. Today we are told that the modern stage of communication and transportation requires a radical change in our concepts of geography. Mercator's two-dimensional equatorial-centered system of cartography was good enough for centuries, but now *Life* comes to our rescue with a "dymaxion globe."

The development of communications and transportation has been so revolutionary as to require a new spiritual orientation for men if they are to live in a world where no two places are more than sixty hours apart by plane. But the setting of the situation must also be considered. Not only are these new channels open, but they have a purpose. We have more than chit-chat to communicate across the oceans and the continents, and more than vacationing travelers to serve with modern transportation. The technological developments are but the applications to one specific field of the total Industrial Revolution. The rationale of modern communications and transportation lies in the fact that the mass production of standardized goods can be justified only if they can be widely distributed, while the processes making such manufacture and distribution possible require an efficient system of communications. Modern methods of merchandising also make wide use of the new facilities.

It was observable more than a century ago that the world

was beginning to beat with a single economic pulse. Awareness of this fact is seen in the political-economic program of Cobden and Bright in England and the critical protest of Marx nearly a century ago. This economic unity was made very clear by the simultaneity in different places of the panic of 1873 and the nature of the depression which followed. The same general tremors were recorded at almost the same time on the financial seismographs of the world—the London Exchange, the Paris and Vienna Bourses, and the New York Stock Exchange. During the last quarter of the last century, it was generally recognized that the capitalism of that day had assumed an international character as credit and investment crossed boundary lines with ease. Aware that somehow a new era was being born, great industrialists and financiers of many lands supported the world peace movements of the twentieth century, for they sincerely believed that international capitalism was the greatest bulwark of the world's peace and stability, despite the evidence of frantically competitive imperialism to the contrary.

It was in that period that my own grandfather, a federal judge, said to my father, a young army officer—"Young man, you belong to an obsolete profession." Like many of his contemporaries, he believed that the age of imperialism was drawing to an end with the claiming of the last undeveloped areas in this globe, and that before long public-school teachers would bring the blessings of democracy and capitalism to the farthest corners of the world. The Hague Conferences and the dedication of the Carnegie Peace Palace seemed to indicate that the time was drawing near when a peaceful world, fully dominated by the cross investments of international business, would work out its destiny according to a benign interpretation of Manchester School economics.

We can see today that there was plenty of evidence against that hope. From our later perspective we can recognize that the sore spots of the first decade of the twentieth century indicated something more than that the Balkan nations were somewhat uncivilized and the Kaiser egocentric. We can real-

ize that the boundary quarrels and the claims to "a place in the sun" represented a profound problem. The dream of peace was not really threatened until World War I broke. The Algeciras conference and the Agadir incident passed without blows being struck. The Payne-Aldrich Tariff appeared to be more of a domestic than a world issue. And so the dream continued to win the hearts of men everywhere.

World War I and Versailles

Algeciras and Agadir, however, were far more symptomatic than believed at the time. The Root-Takahira Agreement settled nothing as far as the Pacific was concerned. The storm of World War I was brewing a long time before it broke, but few recognized it. The basic problem lay in the fact that the trust in international capitalism was misplaced. The single economic pulse for the whole world had been discerned accurately, but what it indicated had not been read thoroughly.

World War I came and passed, leaving its wake of destruction. The German Empire of Kaiser Wilhelm II was apparently dealt a deathblow. The settlement of Versailles attempted to remove the world's sore spots by political devices—the restraint of German imperial ambitions, the rectifying of boundary lines to return "unredeemed" Frenchmen and Italians to their fatherlands, and the development of a group of "succession states" in eastern Europe to allow minority peoples a chance to fulfill national ambitions. As a crown to the whole structure which was to insure peace for the future, a League of Nations was established.

There is little point today in impugning the sincerity of the statesmen at Versailles. While everyone there had his blind spot and each had a loyalty to his own national policy which transcended the common purpose, all of them believed they were working for the peace of the world. It is true that Wilson sold himself better to the people of Europe than to his own, and his political mistakes in his own country had something to do with the failure of his world policy. It is true that Clemenceau thought of security for France as the keystone of

any enduring peace structure. It is true that Lloyd George sought to restore the British Empire to its nineteenth-century position as arbiter of world events. It is true that the treatment of Germany was neither punitive nor conciliatory, only repressive. It is true that the colonial situation did not receive adequate treatment. All of these inadequacies added together do not spell the failure of the settlement. Statesmen at any peace conference would have similar blind spots. Their insight would be limited because of their responsibility to particular nations.

Historians and political scientists can discover many reasons for the failure of the settlement, but most of them are secondary though true. Under the Covenant the League lacked authority to compel the stronger nations either to accept or to enforce its decisions. The United States did not assume its share of responsibility for maintaining adequate machinery for international peace. The tariff policy of this country had a restrictive effect upon the fluidity of world economics. The theory of self-determination of ethnic minorities raised perhaps more problems than it solved. The international postwar fiscal policy, based upon the payment of reparations and debts, was a brake upon industrial recovery and a serious threat to the internal economy of several nations. The formation of *cordons sanitaires* by the French against Germany and by the British against Russia created an atmosphere of suspicion and ill will. The principal nations of the world demonstrated that they did not place too much confidence in the machinery they had set up when they participated in a series of supplementary conferences (Washington, Locarno, Paris) and entered into military alliances for security reasons (the Little Entente, the Danubian Bloc, the Balkan Pact).

All these reasons for the failure of the settlement merely indicate that there was an underlying problem which was not faced at all. The Treaty of Versailles, the League Covenant, and the series of supplementary international agreements treated the problems of the world as if economics were secondary to politics, when, as a matter of fact, poli-

tics is secondary to economics in modern civilization. Inasmuch as the series of settlements did not deal adequately with the world's economic problem, it could not have been expected to question the dominance of western culture by economic considerations. Even if none of the mistakes of the statesmen had been made and if all of the inadequately answered problems had received fuller treatment, the settlement still would have failed sooner or later because its foundation was faulty.

The postwar era saw no adequate steps taken to handle the economic conflicts over which modern nations divide into warring factions. Instead, there existed many countries that lacked the facilities for economic independence, and therefore were doomed from the start to fall under the unregulated hegemony of one or another of the greater powers. Versailles and the League Covenant to the contrary notwithstanding, the history of the past twenty years demonstrates the relevance of Harrington's dictum. Political power which did not follow economic directions was frustrated.

Even more serious than the lack of international economic policy upon which to base international political developments was the return of most people in the western nations to a business-as-usual attitude. It was as if in its four-year blood bath the world had learned nothing about the fallacy of the dream of the first decade of the century. It had gone beyond The Hague with Geneva, and it had done something about the sore spots, and it thought matters would then take care of themselves.

If there was a basis for the hope of 1905 that international business operations would guarantee the world's peace, then that basis was increased in the 1920's. International business operations were many times greater. The flow of American capital to Germany and other countries was tremendous. Agreements were entered upon by the world's great petroleum, chemical, and electrical industries for co-operative policy across national lines. The result, however, was not an era of world peace, but first the Great Depression and then World

War II. The depression was perhaps hastened and the resulting international confusion aggravated by the fact that international business was not subject to the same regulations as domestic enterprise. All that this indicates is that the philosophy of the autonomy of economic law could demonstrate its ultimate frustration without the degree of political interference that takes place at home.

The World Meaning of the Depression

The issue was first called by the depression. When the stock-market crash occurred in New York in October, 1929, its international repercussions were immediate. The flow of capital abroad stopped, and before long the wheels of industry in all countries were slowing down. England, which had already confronted unemployment in the depressed areas, went off the Gold Standard in 1931 to protect her domestic economy, and the other nations had to follow suit. Men were walking the streets in Birmingham, Paris, and Hamburg, as well as in Pittsburgh and Chicago. World unemployment resulted, making it crystal clear that in a world which beats with a single economic pulse, unemployment is a world problem.

The world had known depressions before, but never in an age of high technology when such a large proportion of the population of all western countries was dependent on industrial prosperity. It demonstrated that there is no longer a possibility in an industrial age for the average man to be self-maintaining at an adequate standard of living in the British Empire, Germany, or France, any more than in the United States. The devaluation of the individual in the economic system and the priority of financial over welfare considerations in the industrial organization were observable in every major industrial country.

The depression raised the question on a world basis as to whether the Harrington-Locke formula and the doctrine of economic man in the modern age can do anything else than lead, first to economic catastrophe, and then to war. But while the question has been raised, influential voices are call-

ing again for a return to the old philosophy after World War II. The booklet of the National Association of Manufacturers, *Jobs, Freedom, Opportunity*, reiterates the ancient belief that the welfare of the world and international peace depend primarily upon the prospects for investments. One wonders whether the lessons of the second World War will be read with the same lack of comprehension as those of the first.

The Industrial Revolution has been marked not only by the ability to produce ever-larger quantities of cheap consumer goods, but also by a parallel development in the ability to manufacture machines to make machines to produce these consumer goods. The result is an ever-greater duplication of the world's industrial plant. If the future welfare of the world rests upon opportunity and encouragement for investment, each dollar of which is lent for the purpose of getting a return, there will be further reduplication along the same lines that have been followed in the past—lines that have led into two world wars.

The disproportionate incomes which individuals derive from industry are not the issue. They may be important when justice, power, and equity are considered, but for our purpose here it does not make any difference whether new investment is by hundreds of thousands of little people depositing their money in savings banks or investing in a few shares of stock, or whether it is a few large investors directly contributing to specific enterprises. The former would decrease the total volume of money available, but the result would be the same. The process of capitalism not only implies a return for money that has been risked, but it also requires as part of its very nature a continual expansion of the volume of capital. Ever-new investment is the lifeblood of any form of capitalism. Directly or indirectly, much of the profit of capitalist industry is ploughed back into it. Should it be used exclusively for the purchase of consumer goods, the industrial situation would soon stop being capitalistic and degenerate into some static form of proprietorship, whether the owners were few or many.

The new investment, which keeps the system alive, is either for the expansion or improvement of existing industries or for the development of new ones.

While the American continent had large undeveloped areas and while the world had many backward countries, the expansion of industry through new investment served greatly to mitigate the unemployment problem caused by the technological displacement of men. The modern situation was not a simple case of industries expanding until they reached a ceiling. The world's productive plant was being constantly reduplicated at the same time, and new industrial centers in many parts of the globe were developed, themselves to repeat the reinvestment-of-profits pattern. The result was that the ceiling to capitalist expansion was approached not by an arithmetical but by a geometrical progression. It was not entirely a question of too great an industrial capacity to perform satisfactorily under the capitalist formula of profits and new investments. Although the development of new industries means new fields for employment, this factor is offset by the technological improvement of existing industries, which increases the productive output per worker, so that fewer men are needed.

In a free international capitalism of the type envisioned by the liberals of the first decade of this century, the ceiling situation perhaps would have been made obvious long ago, and might have led to some systematic attempts to solve the problem on the basis of the geographical distribution of labor. In spite of British free-trade ideas, there never was such a world for international capitalism, while the industrial economy of the United States actually matured in a very different climate—that of outright protectionism. With a whole continent to develop, American industry had plenty of room for expansion and many new fields for investment, while it kept foreign competition down to a minimum. The protective tariff policy contributed greatly to the industrial development of this country. From the Civil War to the present time the output of the United States competed favorably in the domestic market with

that of other countries, and hence we were able to develop a large productive machine. While there were undeveloped areas in this country, while there were many new industrial fields to cultivate, and as long as unemployment was not a major issue, the policy of protectionism enabled the capitalist economy to prosper. Internal co-ordination and the trend toward monopoly served to lessen the destructive competition of an overexpanded industrial plant within itself.

But protectionism, as its name implies, is essentially a defense mechanism. It could not work forever to give American industry a favored relationship to foreign production. With a large, highly civilized area to serve, and with the ability to supply most raw materials from home reservoirs, American industry has acquired a greater self-sufficiency than similar industrial developments in other countries. The operation of capitalism requires freedom of expansion all along the line, and the United States, for many years, has been an important factor in the world's productive economy, exporting both finished goods and the machines by which they could be made elsewhere. American productive enterprise, therefore, has entered into competition with that of other countries.

When the employment of men appears to depend primarily upon the ability of industry to expand indefinitely, and the operations of capitalist finance require the same expansion, something has to be done to further the process. The classical method was imperialism, either colonial or economic. The great colonial empire of modern times, the British Empire, was largely staked out, before the days of modern industry, to serve the purposes of a mercantile society, but it served industrial imperialism on the whole just as well. Its success made other countries, notably France and Germany, seek to expand similarly during a period when American economic energy was largely directed to developing our own continental nation. Imperialism, in the modern sense, is a system whereby one nation acquires exclusive political control over foreign areas for the purpose of having an exclusive source of raw materials and a privileged market for finished products. By the turn of the century it was discovered that while there

were certain advantages in political imperialism that could not be obtained otherwise, there was another method—economic imperialism—by which much the same result could be effected. Toward the end of the colonizing era the United States has gone in for economic, rather than political, imperialism, though we have never maintained a consistent interest in the subject. The Monroe Doctrine limited this hemisphere largely to the economic brand, and the Roosevelt Corollary saw to it that as far as the lesser Latin-American nations were concerned, the United States should have the inside track. The demarcation of spheres of interest in backward countries such as China, Persia, Egypt, and Morocco served the same purposes for other countries.

Imperialism, however, can be only an extension of the ceiling. It cannot provide unlimited expansion, because the areas for imperial control are not unlimited. If one nation, in a hypothetical case, were to have its industrial plant in one small area, and if it were to be the only industrial plant in the entire world, and if it limited the flow of machine tools, it might make imperialism serve the needs of industrial capitalism for a long time. But that has not been the case. The reduplication of industrial plants all over the world, together with the fact that in a number of significant instances the new industrial development took place in a colonial area, led to the breakdown of the idea of empire as the answer to capitalist need for indefinite expansion. The development of industry in a colonial area also led in most cases to political independence or autonomy moves in that area, further defeating the basic purpose of imperialism. The first great breakdown came in the frantic competitive struggle for imperialist rights which resulted in World War I, but its basis in the problem of employment could not be seen so clearly then as it can be today.

The Dilemma of International Capitalism

For any one who could understand it, World War I taught a lesson of the ultimate futility of imperialism; but the major problem behind the war was accentuated rather than

solved in the conflict, because war always stimulates industrial expansion. For the moment, the ceiling to capitalist enterprise has again been lifted by war. But these changes were not due to capitalist operations as such, as was made clear in what followed World War I—growing unemployment accompanying industrial prosperity.

Certain industries, notably the automobile in this country, were enormously stimulated by the technological progress of the war years. Other industries made parallel technical advances (electrical equipment, radio, and aviation, for instance). Consequently, if new industries are the solution for technological unemployment, there should have been none during the twenties. But such was not the case. Imperialism was far from dead as the result of those four years of conflict, but its role became more and more financial in character as against specifically industrial. This meant only that the reduplication of plant on national lines all over the world was further exaggerated. Facing increasing difficulty in expanding, business developed another trend which seemed to give promise of continual profits even if the investment of those profits became more difficult. Business began to restrict activities to keep prices up. Actually both trends were in existence side by side during the whole interwar period.

There were two methods of keeping prices down—one national, the other international—and both of them had a decidedly international effect. The national method was motivated as much as anything by the fear of the prewar type of economic imperialism and was marked by a world-wide wave of protectionism; each nation developed as much economic self-sufficiency as possible. This meant further reduplication of plant, and unemployment increased as former consuming areas became production areas. The tariff policy of the United States (the Fordney-McCumber and then the Hawley-Smoot tariffs) did much to accentuate this trend, since the United States stood in the position of the world's greatest industrial and greatest creditor nation at one and the same time, with an apparent national policy of bidding for world economic

power without assuming any political obligations. The American war-debt policy, asking for payment and shutting off the normal economic means, added to this situation. The other and not unrelated method was that of the international cartel to withhold from production, to pool technical knowledge, and to mark off spheres of activity. American, British, French, and German industries particularly participated in these cartels. The limiting of production for the sake of price and profit with an increase in technical efficiency led to displacement of workers and the increase of unemployment.

If international capitalism could ever have guaranteed the peace of the world, it should have done so before the end of the twenties. Investment flowed across national lines, even if little else did, and contributed to the building up of the exaggerated duplication of industrial capacity. Through the international cartels the greatest capitalist resources in the world were in formal league with one another. Continually rising prices, together with a credit inflation coincident with an industrial boom, gave an appearance of economic soundness. But unemployment mounted and in October, 1929, the economic base gave way.

The Fascist Threat

No capitalist society can stand up under mounting unemployment with no end in sight without taking drastic action, else it will be rocked by some form of social revolution. Great Britain and the United States groped toward some form of a social-service state that would take the sting out of unemployment without changing the essentials of the capitalist framework of industry. They both also made various attempts through government-sponsored projects to stimulate industry and to encourage credit. Neither had solved its problem when the outbreak of World War II changed temporarily the economic situation. Germany, the hardest hit by industrial unemployment, tried a new solution in Fascism. I am not considering the earlier development of Italian Fascism, because, while it is significant, Italy was not one of the great

industrial nations. Italian Fascism, with its differences in method and organization, had fundamentally the same economic goal as German Fascism.

Our understanding of the nature of Fascism as an economic force has been confused by German political excesses and by the title of the National Socialist Party. It is perhaps better, although inadequately, described as "national capitalism," because Fascism is an economic centralization of an entire country into one unit. Internal harmony is achieved through political pressure and economic regulations; competition is eliminated between domestic industries and between elements within domestic industries, so that the country becomes an autarchy. Nationalistic as Fascism is, it has an international orientation, because among its functions is that of giving its country a privileged position in world economic activities, by another method to remove the ceiling to expansion, and so both to eliminate unemployment and to create industrial prosperity at home. In its prewar phases, Fascism had a decided advantage over private corporations in international trade, because the latter were not competing with their German counterparts. They were competing instead with the German Reich, which, because of its iron control at home, could successfully underbid them and take payment in kind. The author of *You Can't Do Business with Hitler*¹ gave an interesting demonstration of the way in which Germany's autarchic economy could undersell American electrical manufacturers in Brazil, take payment in coffee for electric engines, and then sell the coffee in Scandinavia, in exchange for iron ore, cheaper than the Brazilians could sell it there.

This analysis of the way Fascism works in international economic activity in no way contradicts the observation of those who, like Peter Drucker,² have pointed out the irrational element in Fascism, its deliberate avoidance of a logical pro-

¹Miller, D. P., *You Can't Do Business with Hitler*, Boston: Little, Brown & Co., 1942.

²Drucker, Peter F., *The End of Economic Man*, New York: John Day Co., Inc., 1939, Chapter I.

gram, and its presentation of a variety of mutually contradictory promises to its own people and to the outside world. To call German Fascism state-capitalism does not imply that individuals who were at the helm of particular industrial enterprises necessarily remained there. Some did, and some did not. However, the co-ordinated industrial setup of the Fascist machine removed the ceiling to expansion and encouraged financial profits. It does not make any particular difference whether the profits went through the hands of the former managers or through the hands of the members of the government clique, or through both.

Drucker's interpretation of the psychological as well as political methods by which the Nazi party obtained its popular following and eventual acceptance is particularly enlightening. He saw, as Ortega y Gasset³ had also seen, that Fascism was a convenient channel through which masses of people could rebel against the traditional economic logic of the theory of economic man that had dehumanized them. Drucker insists that the very irrationality of the Fascist appeal was an asset in its approach to a despairing and disinherited people. That type of mass despair is not limited to the countries which went Fascist, and it was not the only reason why Fascist regimes have been set up. In America the average man has yet to know what it means to be only an economic category instead of a living, dynamic personality. Some people in this country did discover that experience of bitterness in the depression, but it has not yet become part of the general American attitude. Drucker has shown us an important understanding, one which Dostoievsky had discovered long before,⁴ that while Marxism may point the way toward economic justice, it does so by making more instead of less out of the theory of economic man.

But to return to Fascism. It carries within itself the seeds of its own defeat, because it has not solved the great prob-

³Ortega y Gasset, José, *The Revolt of the Masses*, New York: W. W. Norton & Co., Inc., 1932.

⁴Dostoievsky's description of Alyosha in *The Brothers Karamazov*.

lem that occasioned its rise—unemployment, which so easily becomes the final symbol of popular despair. The presence of such an economic force as Fascism in the world necessarily leads other countries to take protective measures. Industrial countries are led to make special efforts to serve their own private corporations by arranging commercial treaties for favorable trade arrangements, such as Cordell Hull's reciprocal tariff agreements with Latin-American countries. Countries whose industrial economy is less stable have to become autarchic themselves, as the Balkan nations did, in self-defense. Again competition becomes frenzied, and unemployment increases. The Fascist state, however, has one more card to play—it can create a new kind of political imperialism, and it is led by its own logic to attempt it. To do this it needs an army and armaments, but it has already appealed to military sentiments and is on the way. It meets its own unemployment problem and forces the rest of the world eventually to meet theirs in the same way—the most unsound way possible—in an armaments race in which the Fascist state naturally has a headstart. The logic of Fascism requires that its armaments be prepared for aggressive use, as it must create a political imperialism through which it can solve its domestic problem, or it must perish.

The progress of World War II indicated what Fascism must do. Italy, a second-rate industrial power, had to some extent demonstrated it already in the acquisition of the African empire. Germany needed more than that, because Germany has been an industrial nation of the first magnitude. Whereas the British Empire has been largely carved out of the undeveloped areas of the world, the new German Fascist empire was an attempt to take relatively developed areas, and undevelop them, so to speak, that they might be developed over again along new lines. The Poles, the people of the Balkans, and even the French were to serve the purpose that coolies in Malaysia served for the British. What industrial capacity was available in those conquered areas was taken over as part of the German equipment under German control. With a large sub-

jugated peripheral area from which it could draw many of its needed raw materials and in which it could distribute on an exclusive basis its finished goods, Germany contemplated completion of the picture of autarchy. Able to use its national capitalist character to acquire, on the same basis as in prewar Fascism, what raw materials could not be obtained from the areas under its control, it foresaw a long period ahead in which the fundamentals of capitalism—employment through industrial expansion—would continue to operate. The problem of the ceiling was realistically if ruthlessly faced by the systematic debasement of the peoples of the subjugated areas.

Even with its brutal realism, Fascism still presents some serious economic problems. It profits by its systematic efficiency without really facing the fact that imperialism can serve a capitalist industrial economy only temporarily. Fascism's modification of capitalism in the interests of systematic co-ordination may extend the prospects of the process, yet, on the whole, it raises as many problems as it solves, and is essentially a gamble for immediate returns rather than a plan for permanent functioning. It is to be hoped that we shall not have to see Fascism make further attempts to work out its program in peacetime.

The program of Fascism naturally leads to war, because, in the last analysis, Fascism is one more attempt of modern-finance capitalism to eat its cake and have it too. The desperate attempts to retain a capitalist economy with its whole profit system dependent on the prospects for reinvestment necessarily lead to war. If it is not to be a civil war between the desperate disinherited, the unemployed cast-offs of the industrial machine, and those who control the economy under which they live, it has to be a war between economic units or nations. Programs for the social-service state, which leave intact the fundamental structure of the capitalist framework of industry, are essentially palliatives that may keep the system going a little longer, or perhaps provide a breathing spell during which fundamental changes in the economic structure may be made without too much domestic chaos.

But unemployment is a world phenomenon that has to be met on a world basis, or it will lead to war. It is not possible to make a truly successful readjustment on a national basis, regardless of the generous goals intended, without autarchic controls at home, as Russia demonstrated. And no matter what method is used, no nation in a world that is becoming a single economic unit can achieve real harmony at home when its world relationships place it in contact and competition with other nations where unemployment is a terrible issue that is met by imperialist ventures.

The Issue of World War II

There are those who look at World War II without appreciating the nature of Fascism. They feel that the defeat of "aggressor nations" is an end in itself, and that after they are defeated the world can go back to its traditional attitude under more realistic conditions. There are those who feel that World War II poses a political question which must be met by more adequate political answers than were given in 1919, and that such answers will accomplish what the Versailles settlement failed to do. There are those who recognize economic considerations, primarily that of more equitable access to the basic raw materials required in our industrial age.

Men of all points of view are looking ahead to the postwar settlements. Some feel that an international police force, backed by real authority, will supply what is needed to insure the peace. Some feel that international economic understandings, such as the agreement on currency initialed by representatives of the United States, the British Empire, and Russia in April, 1944, will provide the answer. Still others feel that the fewer international commitments the better; that the postwar era will be an opportunity for American business men to "make hay" in their international operations while a large American army and navy police the world for their benefit.

All these views seem to miss the point of the war. Even the genuinely good-will proposals of the churches evade the fundamental issue. The question before us, in a world which has

shrunk in size and which has become economically interdependent, is whether a system that fits humanity into an economic straitjacket is capable of solving the problems that make for war.

War is not the major problem of our age. Rather it is the political concomitant of a philosophy of life that places economic considerations in the paramount position. As long as the basic premises of western civilization are unquestioned, we will have war, for it serves to point up the dislocation of modern culture. As long as the cultural problem itself is untouched, it will be no more possible to disavow military methods in the coming postwar era than it was to do so through the Kellogg-Briand Pact. Machinery may be developed which will eliminate some local conflicts, and appeasement will always be used as long as the issue at stake seems to be less expensive than waging a war. Those who would do away with war because of its destruction and bestiality must challenge its cultural basis—a situation that devalues men and values economics.

CHAPTER XI

The Church and the School

MY ANALYSIS of the background and make-up of contemporary culture has stressed economic elements because economics is a dominant force in the modern world. Social evolution since the dawn of the Renaissance has accentuated the economic element in culture to such an extent that other important areas in human affairs have been made to appear secondary and derivative. While the Manchester School theories were developed only within the past hundred years, the logic of events for centuries had been pointing toward them. The concept of economic man actually represented a general attitude which affected not only man's business relationships, but, in fact, all aspects of culture.

The Renaissance was at one and the same time an evolutionary and revolutionary shift in cultural orientation, and the varied freedoms emphasized coincidentally and successively by that broad movement had a common cultural focus—freedom of economic enterprise. Although the nature and scope of this freedom changed and developed, the theory first articulated clearly by John Locke has taken hold of the mind of the average man in the western world. While facts of the present day may belie both the reality and possibility of the practice of this freedom, it has had a broad general acceptance. The theory may be regarded uncritically by most of the men and women who subscribe to it, but it is, nonetheless, an important cultural factor. The theory has made the general culture so economics-centered that theories raised in protest or opposition have rarely questioned the premise that society's base is economic.

The economic interpretation of practical affairs has tended more and more to inform the more specifically cultural agen-

cies, such as the church and the school. Both of these have accepted the premise of the economic basis of society and have devised their programs and their philosophies in conformance with the accepted theory. Therefore, if the church and the school are to make a worthwhile contribution to the world of tomorrow, or to the world of today, their working premises need to be examined and reoriented.

The trend toward externalization has been pronounced in both religious and educational practice. Modern Christianity has many variations of emphasis, and so has pedagogy, but the comment is generally true. Whenever religion, regardless of what it may profess to believe about the interior life, reduces man's social relations to a code, it has made man's relationship to history external and objective. Although there is a wide difference between religious emphases that concentrate their attention on the integration of personality and those that have a strong sense of social responsibility, both tend in practice to regard the area of their particular concern as one in which man, by mastering the facts, can control the situation. And although there is a tremendous gap between the fundamentalist adherence to a literal acceptance of the chapter and verse of the Bible and the modernist appreciation of the evolutionary development of religious content, both tend in practice to regard man's problems as answerable through objective understanding and solution. Much of modern religion tends to take man out of history.

The same is true of education. The very faith which the western world has placed in education during the past one hundred and fifty years rests upon the premise that understanding of the facts of life through study will give man mastery over his problems. This faith has been fruitful to the extent that the intellectual horizons of the average man have been pushed back. Yet these victories themselves have contributed greatly to the externalization of man's relationship to life. There are obvious differences between the educational theories of those who believe vocational training is all-important and those who believe that mastery of the "eternal

verities" is essential for the happy life, yet both tend to believe that mastery of their particular tools—technical skills for the one and the classical humanities for the other—will make the student able to cope with life. There are wide differences in technique and content between those educators who call themselves "progressive" and those who prefer to use time-honored curricula, but both tend to believe that knowledge in itself is the answer to man's problems. Education has become an end in itself to many persons, while countless more believe it to be the panacea for all social ills.

The Confusion of Function

The trend toward externalization in both religion and education has made them peculiarly susceptible to the values of a society increasingly dominated by the economic element. There has been a variety of results. Some churches and schools have accepted the premises of that society, even to the extent of giving practical, if not always theoretical, assent to the Harrington-Locke formula and the doctrine of economic man. Other churches and schools have accepted the economic premises in general while protesting against the particular direction economic evolution has taken. Both the churches and the public at large have developed a feeling of the social irrelevance of religion because its economic utility was doubtful, while education has emphasized vocational training because its economic value was obvious.

The functions of religion and education in any society are complementary, though neither can assume the functions of both. The function of any religion in any culture is to inform men's individual and social attitudes, to serve as the integrating element for both individual and social life; in other words, to set the spirit by which men live. Of course this is not a description of the Christian religion as such. It is only an estimate of the function of religion in any culture, and it should be obvious that the relationship of ancient creeds to broad, general practice may become something rather tenuous. Men may easily, and even unconsciously, profess one creed and

live another. The way any religion is generally interpreted in practice by the men who claim to live by it is as important as the heart of its tradition.

The function of education in any society is to inform the minds of people, imparting to them the information and skills necessary for adequate living in the society of which they are a part; and, perhaps even more important, to give them this information and these skills in a definite setting by providing a general orientation. In other words, the content which education has to offer must have some kind of a purpose behind it. It is in this area of orientation that religion and education overlap, complement and supplement each other. Where either one largely dominates the other, its orientation will predominate to such an extent that the one dominated will, in practice, become just a department of the other. For illustration one need only refer to those Protestant Church schools dominated by what we might call the University of Chicago theories of religious education, in which the Church, to all practical purposes, becomes a vaguely spiritualized extension of the social-studies departments of the public-school system. Again, we must observe that the effect of education upon people is as important as the educational theories supposed to underlie the system.

The Historical Background

In the medieval period, the Church dominated education, actually controlling and administering most of what was undertaken. Inasmuch as in medieval theory, the religious and political lives of men were obverse and reverse of the same thing, the main job of education was to prepare men for either religious or political duties. It is not surprising, therefore, that the clerical profession was represented in political administration almost as much as it was in the specifically religious. Because the Christianity of the Middle Ages, despite some references in the scholastic writings which might be quoted to the contrary, actually served as the spiritual and moral cement of the feudal system of political economy, the practice

of both religion and education served to undergird that system, emphasizing the static and stratified nature of society. An interesting carry-over of this fact is found in the Anglican Catechism discussion of "Duty Towards My Neighbor" which ends with these words: *And to do my duty in that state of life unto which it shall please God to call me.* The church and the school of the medieval period were concerned with making men content to remain where they were socially, and so they supplied only enough educational information for the social needs of the particular stratum concerned (very little at the bottom, more as one ascended the ladder), and only in the official service of the church itself was it possible to evade educational stratification.

It has been both one of the glories and one of the weaknesses of Christianity that throughout history it has shown a far greater social elasticity than any other historic religion. That is because there are so many elements organically related to its central stream, that where one interpretation became too much of a brake upon historic forces, rebels could find a more useful and, to all appearances, equally justified interpretation and still believe they were retaining, or rather returning to, its essentials. This elasticity of Christian interpretation has contributed greatly to the fact that western civilization, on the whole, remained much more fluid than those informed by other religions, but Christianity cannot claim full credit for this. The elasticity was discovered as changes were forced, and desperately resisted in the name of good morals and true religion. Since other situations were not so dynamic in the East as they were in the West, the elasticity of Christianity has not been equally demonstrated. Nevertheless, no attempt to freeze any political economy by using the Christian religion to crystallize it has ever been permanently successful, because the Christian religion itself cannot be frozen completely. On the other hand, this very elasticity facilitates compromise with any prevailing system.

The medieval synthesis, in which the western Catholic Church played so strong a role by emphasizing stratification,

could not continue when the new economic, political, and philosophical forces of the Renaissance began to work. And Christianity in a variety of ways and at the price of internal unity came to terms with the Renaissance. The medieval church educational system, tied as it was to medieval culture, could not stand the strain, although organized religion appeared officially to sponsor formal education for centuries. Just as the church, through its prevailing modes, became the moral and spiritual cement of the new order, so the orientation of education shifted. Despite the antiquity of the tradition by which the church controlled education, the tie-up became less meaningful because of the new role that education itself played.

Cultural lags are always interesting clues to the meaning of social change. John Locke himself exhibits such an interesting cultural lag in *Some Thoughts Concerning Education*, in which he distinguishes sharply between the kind of schooling to be given gentlemen, and that to be given to common people. His thoughts concerning the latter remind us of the catechism phrase and its medieval use. But for the former, he envisions a type of schooling that will make the student both successful and able to enjoy life in a mercantile age. But the medieval synthesis had been broken, and education was no longer functionally related to a stratified society. The touchstone now was wealth—not only to make it but also to enjoy it—the very spirit of the Renaissance. For the common man, education was to make him a competent and contented workman, who is led to believe that at least his children may rise to a higher economic level than his own. In other words, education, particularly in the Anglo-American world, separated from its ecclesiastical orientation, has come to serve the Harrington-Locke formula, with its new orientation a somewhat confused mixture of elements from its Christian background and contemporary business virtues. That being the case, it is hardly surprising that the influence of organized Christianity in education should progressively diminish, reaching its nadir in the modern American public-school system.

The interesting maneuvers for religious education on released time illustrate the point; the laws of the Commonwealth of Massachusetts, for instance, specifically prohibit the teaching of religion in public-school buildings. Dr. Alexander Meiklejohn has observed, "The teacher in the modern school is commissioned to teach many things, but he is not commissioned—he is rather forbidden—to teach that 'faith' upon which the community, for which he teaches, has built its own character and intelligence."¹

The new social orientation that, together with technological progress, broadened the base of political economy within the framework of the Harrington-Locke formula, made it practical and desirable that a larger proportion of the people have the benefits of some education. Religious institutions played their part in pioneering projects in popular education. The English revolutionists of the 1640's had talked about the subject. The Massachusetts Puritans legislated about it, though they were rather more concerned with the propagation of their creed and with eliminating wherever possible the likelihood of people becoming public charges, than they were with popular education. The seventeenth-century independents, the eighteenth-century evangelicals, and the nineteenth-century humanitarians actually did more than the entrenched ecclesiastical systems to provide a religious sanction for more general education. However, the new fertilization of the Anglo-American political economy by French physiocratic theory, with its ideal of universal education in a democratic society had most to do with getting popular education over from theory into general practice. During the period of agrarian dominance in America, from Jefferson through Jackson, the background for popular education became firmly established. Jeffersonians distrusted ecclesiastical dominance on philosophical grounds, while Jacksonians, for more practical purposes, wished to provide a system where the general public would be safe from political indoctrination by the privileged eco-

¹Meiklejohn, Alexander, *Education Between Two Worlds*, New York: Harper & Brothers, 1942, page 7.

conomic groups who controlled the educational institutions established in colonial times. The celebrated Dartmouth College case, 1819, had results not only in the field of contract law but also in the field of publicly supported education.

Curriculum changes actually lagged many generations behind the general cultural development, although it was obvious that the society for which people were being trained, and in which they would have to live and work, was becoming far removed from that of the Middle Ages. Most American institutions for higher education in colonial times were founded for the purpose of training clergymen, but gradually the ministry became only one of many educated professions. The new political economy demanded intellectual competence in men in other fields—the law, medicine, and the sciences—and gradually the educational system was made to supply what was wanted. The little reading, writing, and simple arithmetic that had sufficed for popular education also needed enlargement.

The past century, roughly from 1840 on, has been a century of revolution in the educational world, both in curriculum and in method. The broadening of the practice of popular education during the Agrarian dominance was followed by a period in which constructive leaders such as Horace Mann and Henry Barnard were able to make their weight felt. New methods of teaching and discipline found their way into the classrooms, and new subjects were added to the courses studied. Because of the demand for technological progress, the sciences began to come into their own, and the tradition of free intellectual inquiry became established, at least in theory. In their wake came new, and for the first time serious, academic studies in the fields of history, politics, and economics.

The Modern Situation in Education

Whatever the religious independents and the disciples of the Physiocrats may have had to do with establishing the tradition of tax-supported public education, the general culture was still informed by the Harrington-Locke formula. Indeed, from the

middle of the nineteenth century, the age of economic man, toward which three centuries of history had been pointing, began to show its final form. That was the world for which the schools and colleges were now training men; and its demands upon them became more determinative. The result is the educational world of the present day, which presents an interesting modernization of Locke's old cleavage between the education for the gentlemen and that for the common man. The modernization takes the form of the cleavage between cultural and practical studies. The present-day successors to Locke's mercantile gentleman, and those who would like to attain to his position, take vocational training at such institutions as the Harvard School of Business Administration, while the ordinary man for whom economic conditions set a ceiling to educational ambition, is given a smattering of culture in the secondary schools. In the colleges, the system of majors and minors has permitted some cultural sugar-coating to vocational or prevocational studies. The seventeenth- and eighteenth-century tradition that a university course was essential to a gentleman's upbringing has perpetuated itself in a wide demand for college education, even though the institution may actually be used as a super-trade school or as a relatively pleasant preliminary to such a school.

It is no criticism of modern education that courses on the college and graduate-school level are offered in the fields of agriculture, business administration, advertising, newspaper work, and many others. It is rather good on the whole that these fields have attained the dignity of professions. The observation is an indication that in the modern age economics dominates education. The same thing is observable in the case of the secondary schools. There are those that prepare particularly for college entrance, where the emphasis may be largely cultural. For the great mass of people in America today, graduation from high school represents the apex of educational attainment, and the high-school curriculum necessarily becomes vocationally centered, with technical, commercial, business, and mechanical schools in many

cities. After all, the function of the school is, among other things, to equip people to live in society, and if society is chiefly informed by economic considerations, then the school must equip people to meet these. The re-emphasis of the need for cultural training, which has taken several forms in recent years, is a recognition of a noticeable lack in the educational system as it is today; but if society's demands continue to be what they are, such training will tend to be restricted to a privileged few, and to the candidates for the more officially learned professions. We will return to this point later.

Modern education may be criticized from various viewpoints and from varying insights, provided its many genuine advances are recognized. It does seem unable to impart a critical understanding to its products. It does appear to have borrowed rather more than necessary from the techniques of the factory assembly line, making men serve methods rather than methods serve men. It does seem to have mastered pedagogical skills rather faster than it has understood goals toward which to direct them. Those are important criticisms upon which specialists in the field might expatiate at length. There came to my desk recently a pamphlet reprint of a clergyman's radio address entitled, *Our Educational Crisis*,² in which he took issue more with an underlying philosophical relativism than with anything else. It is the kind of criticism that emanates in considerable volume from religious circles. It fails to recognize, however, that working philosophies are never decided a priori and then applied. After all, if our general culture is informed by the theory of economic man, what else can we expect from formal education than vocational training, with an added cultural element on a "pay your money and take your choice" basis. If the basic verities to which society generally gives allegiance are economic, the verities that religion and philosophy may draw from other sources are necessarily elective. An educational system cannot exist in a social vacuum, nor can it have

²Price, Harry, *Our Educational Crisis* (pamphlet report of radio address).

an orientation fundamentally different from that of the society which it serves. Any change in orientation, of course, involves using education to put it over, but the situation is not "which comes first, the hen or the egg?" It is unreasonable to expect the official educational program of this, or any other, country to be the pioneer in a spiritual revolution. It is rather a credit to man's native soundness that, in a society so dominated by economic considerations, his educational system is as good as it is.

What Are Christian Principles?

The author of the aforementioned pamphlet closed his discussion by talking of a "return to Christian principles." That brings the churches back into our consideration. The Church lost control of formal education largely because what it had to teach was not what society wanted, and because, while Christianity itself may be elastic, particular ecclesiastical institutions are not. Christian principles lost their position as the motivating force and the subject matter of education when the Church lost control, although actually the ideology remained in diluted form in a vague humanitarian frame of reference. Christian principles, however, deserve critical examination. They have a way of turning out to be not so much the truth of the Gospel as the rationale of whatever happens to be the prevailing political economy. The Medieval Church was realistic about its Christian principles. It used them to keep the stratified feudal society going, for though it criticized particular actions of feudal society, it nevertheless gave a theological sanction to the theory behind it. Without being equally realistic, Christian institutions ever since have demonstrated that their Christian principles fit in rather nicely with whatever political economy they have had to operate under. Most of the German churches, even though there were some notable and heroic exceptions, tried to come to terms with Hitler, and even Niemöller supported Hitler before he came to power. The Church of Rome finds that Franco's regime exemplifies, at least somewhat, its Christian principles,

as apparently does that of the military clique in the Argentine. Most established denominations in America find capitalist democracy on the whole consonant with their Christian principles, even though Church assemblies, in truistic general pronouncements, may sincerely criticize abuses and excesses. Only recently the author heard enunciated from a Christian pulpit as the soundest possible advice for young men, the business-virtues dictum of the late J. P. Morgan, "Do your work. Be honest. Keep your word. Help when you can. Be fair."

To talk of Christian principles as if they were concrete statements of fact generally agreed upon, which could be applied to specific situations, is rather absurd. The Oxford Groupers and others were fond of stating, "We have tried everything else, but we have not tried Christianity," the meaning of which is rather obscure. It might mean conceivably that a code based on the Sermon on the Mount would be preferable to Mr. Morgan's code. But even if society should be led generally to accept such a code, its meaning in a setting that makes economic values primary would leave things about where they are. Actually, many people think they are sincerely applying Christianity to economic life already, which leads one to observe that there are differences of opinion as to what Christian principles as a code for living actually are. If, on the other hand, Christian principles are considered as philosophical ideals, there is a different type of confusion. Perhaps then, we had best stick with Emanuel Kant's two worlds and live two lives at once, because idealism in any form has a way of double-crossing its followers when it becomes practically implemented. The status quo, like the Prussian state for Hegel, can so easily be identified as the actualization of the ideal.

The Effect of the Liberal Protest

Of course, the Church has not been without its dissenting voices during this whole period. We have already mentioned the democratic tendencies of the independents of the seven-

teenth century during the days of the rising mercantile aristocracy. A strong humanitarian emphasis was noticeable in English and American Protestantism during the first half of the nineteenth century; it effectively attacked such prevailing abuses as slavery and child labor. Christian Socialism of the Kingsley and Maurice school was a powerful force in the middle of the century. The publication, in the late eighties, of *Lux Mundi*, a book in which eminent British scholars combined social criticism and the doctrine of the Incarnation, had a profound influence on Christian thought both in England and on this side of the Atlantic. In the United States, the work of Walter Rauschenbusch and Washington Gladden, around and after the turn of the century, gave a driving force to Christian social-reform movements. The participation of many churchmen in the development of the co-operatives was a witness to Christian motivation. Since the first World War there have been groups within every major denomination raising their voices on behalf of social justice and industrial democracy.

It is not necessary to go into the details of these movements of protest and reform within organized Christianity. Two obvious facts are evident—that the mainstream of organized Christianity has been influenced only very slightly by liberal elements (I wonder if even one in a thousand Episcopalians, for instance, knows of the existence of the Church League for Industrial Democracy); and organized Christianity has become progressively more socially irrelevant.

In comment on the first point, one has but to observe the action of general Church councils over the years. They have uttered some remarkably liberal generalities at times when tension was not very great and the prevailing mood of society generally propitious. For instance, many groups ranging in significance from Lambeth down spoke in behalf of world peace during the twenties and early thirties. The Federal Council of Churches, for another example, assembled a notable gathering of official representatives of the various denominations at Delaware, Ohio, in March, 1942, and produced some

very far-reaching general statements and broad principles. Nevertheless, it straddled just the crucial issues which might make possible the attainment of a just and durable peace, if our analysis of the underlying reason for the war is accurate. It is all very well to inveigh against economic nationalism, but economic nationalism does not occur in a vacuum. It is fine, indeed, to advocate the extension of social security, but the need for social security is rooted in a broad social context. The one is not stopped, or the other advanced, merely by "inculcating Christian motivation."

That leads directly to the second fact—the irrelevance of organized Christianity, for which there are several reasons. One fundamental reason is the problem of financial support of the churches. In the unified society of the Middle Ages, in which the Church had an obvious role to play, its support was an organic part of the general economy. That custom has carried over well beyond its original basis in the state-supported churches of England and the continent. After the American Revolution, the Church was disestablished in the various states that had previously followed the English pattern. During the nineteenth century, it was supported in large measure by the gifts and legacies of the wealthy, for whom it served a variety of needs. It would be absurd to state that this support was chiefly for economic and political purposes, because it was not. There is no need to impugn the frequently genuine and charitable motives of men and women of past generations for whom the Church was the logical agency through which to exercise their benevolence. Nevertheless, American Protestantism, in its more regularly established forms, tended to serve particularly the class that supported it. In many large parishes, it unintentionally pauperized spiritually one large element of its constituency in order to give scope for the exercise of the good will of its patrons. Today, the problem of Church support is a difficult one. Many large institutions are threatened both by shrinking returns on the investment of their endowment money and by any movement for social reform that involves the investment

structure. The churches and other religious institutions have an important stake in modern capitalism. Also, the churches face the fact today that the sons and daughters of their great benefactors are either unable or unwilling to maintain that same generosity. The last few decades have seen the churches attempt to base their support more genuinely upon their rank and file, an attempt which in many cases is healthy, but is very difficult.

The problem of the financial support of the churches is only an illustration. Where any institution fills an obvious social need, it will be supported in one way or another. When there is a question whether it fills any need very well, the support becomes uncertain. During the nineteenth century, the churches justified themselves in the eyes of the public by being the regular agencies through which to exercise philanthropy. The foreign missions program of the churches fitted in conveniently with the "white man's burden" rationale for political and economic imperialism, and was supported accordingly. Again, such an observation is not necessarily an indictment. It is merely a statement of the fact that men who felt that the future of the world was best insured by extending capitalist democracy through imperialist ventures naturally thought of extending those institutions of capitalist democracy, such as churches and public schools, which in their opinion made for law and order and a stable life. The domestic missions program and the institutional charity methods of the churches, aimed at genuine needs, helped those who realized that lives were being blighted by their own business enterprises, to do something about it. The dominant classes of the nineteenth century did not feel that they were responsible for the existence of poverty and vice; but they did feel called upon to help both, because they felt a genuine pity for the victims and because society seemed more stable when its festering sores were bandaged. As a matter of history, the churches exercised this phase of their work with more zeal than effectiveness, with many bad results as well as good. They did pioneer for the private social agencies and community projects, but as these were developed, the churches found themselves deprived

of one of the most appealing parts of their programs. Today, social benevolence, which eighty years ago was a strong motive for church support, is exercised much more largely through community chests and the like.

The Church in the Modern Community

In the twentieth century, the churches are neither the sponsors of the community's educational program nor the normal agencies through which philanthropy is exercised. They are institutions that traditionally had an important social purpose, but the modern age has difficulty in identifying that purpose. Attempts to make particular parish churches the centers of community recreational activities have to some extent postponed a facing of the facts, but the churches seem destined to give way in that field, too, as they gave way in schooling and social work. The churches, being forced out of peripheral activities by the development of professional skills and community services in those fields, are being thrown back upon their primary function, one that the man in the street does not understand very well. He sees an organization which has to live by one code while advocating another, and even advocating that with compromise. While he cannot put his finger directly on the problem, he is somehow aware that modern society has a goal very different from that to which organized Christianity is supposed to give allegiance. Mr. Morgan's dictum is a statement of the virtues of contemporary culture at their best, but the churches have tended to make it their own code. However, one finds these virtues about equally distributed among church members and nonchurch members of his acquaintance.

For many centuries the churches served the community primarily by being the moral and spiritual cement that held it together. They do not serve that purpose now. Organized Christianity has succeeded in cutting itself off rather thoroughly from any possibility of profound influence with labor, and it is not surprising that organized labor does not trust the churches, even though individual labor leaders may achieve rapport with individual liberal churchmen. Individual busi-

ness men and their families may find formal religious practice personally helpful and congenial, but they no longer find the Church particularly helpful as a method by which to serve their need of doing good works, or as an agency to keep people contented. Government gives the churches a sort of half recognition without any clear idea as to what the churches exist to do. This is not surprising, because neither society generally, which government represents and from which its leaders are recruited, nor yet the Church membership itself, is very clear on the subject. The tradition that the Church is a vital component of a healthy society persists, although people no longer are sure why. Consequently, a smoothly running, closely knit ecclesiastical machine such as the Church of Rome has, on the whole, easier access to the councils of state than does the larger but less effectively organized body of American Protestantism. But even the Church of Rome, while it may succeed in making the institution an end in itself, has increasing difficulty in justifying it to its own rank and file. One writer has rather aptly described the situation of the churches' social irrelevance by saying that religious education is a method by which people pay deference to a venerable tradition, not quite consonant with life as they know it, and which they no longer believe, by sending their children to learn it.

When a group of relatively responsible Christians—the personnel of the Malvern Conference—issued a statement in which they were willing to surrender, as an earnest of their sincerity, their traditional source of Church maintenance, and then consented to the Acland amendment, favoring social control of productive industry, the world was startled. Many of us in church life may have believed right along that the Malvern statements were implicit in Christianity, but the world had not thought of it that way. The Malvern Conference received a lot of publicity. It was noted with amazement that many prominent laymen took part, for the modern world has rather identified the Church with the clergy. The conference bothered the National Association of

Manufacturers and inspired it to launch a campaign "to get to know Church leaders better." It was in surprising contrast to Church news that ordinarily gets into the papers—the internal wranglings in the Episcopal Church over reunion with the Presbyterians and over the Marriage Canon, the fundamentalist controversies in other communions, the prohibitionist sentiment in so much of American Protestantism, and so forth. Malvern, instead, pointed to new horizons, even though some of its theology might be questioned.

If our general culture has an economic focus, then it does not have a spiritual focus. If it believes in economic man, it obviously does not respect man as the son of God. If it has an economic focus, then education will be used to serve that end, and so, too, will the Christian Church. Christianity may be sufficiently elastic to adapt itself to almost any setting, but it cannot adapt itself to the loss of its own soul without losing its meaning. It cannot substitute a graph for the Cross and fulfill its own purpose. The churches actually have not done quite that. They have, I believe, tried to be sincerely true to their mission, but they have tried to come to terms with modern culture at the same time. Therefore, they have survived as institutions with limited effectiveness and little popular appreciation. Several astute modern students have pointed to mankind's inchoate but growing discontent with its economic valuation, but this discontent is not looking to the churches for leadership, rather in some instances identifying the churches with the cause for the discontent.³

To return finally to the relationship of church and school, it seems evident that as long as Christianity can compromise with the theory of economic man and the Harrington-Locke formula, its influence on education, no matter how much released time it may obtain, will be ineffective; at best it will be one more curriculum subject on the cultural level. If Christianity breaks with the prevailing mode of society, a difficult task, but perhaps possible during the wartime shake-up, the

³Drucker, Peter F., *The End of Economic Man*, New York: John Day Co., Inc., 1939, Chapter 4.

break will probably cost it official influence in education, because modern education is the creature of society generally, rather than of any particular social institution. This need not be a bad thing. The Church's forced retreat from the fields of school control, social work, and public recreation need not be a bad thing. Its shrinking investment returns and declining dependence on a few large contributors need not be a bad thing. As the Christian Church's stake in things as they are lessens, so the possibility of an effective challenge to society is enhanced. It may talk and pray about the world brotherhood, but its effectiveness in advancing this objective will be in direct proportion to its demonstrating an earnest of its dreams within its own life. Only to the extent that the Christian Church can sincerely challenge modern culture will it have something vital to give in education, and only so can its broader interests be served.

So far as the challenge can be made by organized Christianity at all, it has to be made from within society, and that necessarily means that Christian institutions not only influence, but are also influenced by, society. That has been the case throughout history. Christianity may be expressed prophetically. Indeed, it must be, but the prophet cannot stand in a position of official responsibility, and at the same time in one of prophetic judgment. That means that Christianity must also be expressed institutionally, because institutions are necessary for corporate living. Institutions, however, take their color not only from their theoretical purpose, but also from the society of which they are a part. Therefore, to expect the organized Christian Church to be an actualization of the Kingdom of God in contemporary life is absurd. Rather, it must be an earnest of the Kingdom, and so provide a challenging witness within its own life. Consequently it is capable of improvement in both its internal and external relationships. But to ask the Church as an institution, or to ask any other social institutions that are profoundly affected by contact with organized religion, to keep society permanently controlled is to ask the impossible. That is not their role.

CHAPTER XII

Christianity and the Future

THE WAR CAME AS A GREAT STORM. Some of us had seen it coming and had sensed its dimensions. Some of us felt that our participation in it was inevitable. Although we may have read the storm warnings, the hurricane seemed beyond our control, regardless of how well we might have prepared ourselves to weather it. Whatever military preparations our country may have made, most of us had made no spiritual preparations. It was rather like the New England hurricane of September, 1938, which meteorologists saw coming, yet was still a catastrophe of nature which did not make sense.

When the problems of history are externalized, their most serious manifestations will not make sense. He who subscribes to a geographical interpretation of history, for instance, may recognize certain causes and effects of the war as owing to the strategic location of certain peoples and basic raw materials. When all the explanatory factors are recorded, the war still does not make sense fundamentally. He who subscribes to an economic interpretation of history, in which the key is the control of the facilities for production, can also see the workings of cause and effect within history, but again the war does not make sense fundamentally. In both the geographical and economic interpretations of history, as well as other theories, there remain great unanswered *whys*. The premises do not allow these *whys* to exist, yet they cannot be explained away.

The problems of history cannot be reduced completely to a cause-and-effect pattern according to a quasi-mathematical formula. In modern culture the attitude prevails that man can control his environment through externalizing it, analyzing it, and then either manipulating it or adjusting himself

to it, or both. When man tries this control, he oversimplifies the situation, with the result that a large and important element does not make sense. The resulting surds are not inconsequential. They comprise world wars and depressions. It is inconceivable that any reworking of the formulas will make a fundamental difference, because the trouble is not with the formulas but with their premises.

Scientific studies of history, economics, and geography have their important place in man's scheme of things. When they and other sciences are regarded as techniques for understanding those aspects of life which are subject to measurement, objective analysis, and precision planning, they have a wide usefulness. Within their fields, their authority must be respected. The cultural problem is aggravated when they are regarded as completely autonomous or when the attempt is made to comprehend all life within one or more of them. The misdirection of the scientific attitude has contributed to the cultural dislocation of the present. This is particularly true in the field of economics, but also to some extent in the physical sciences. The spiritual unpreparedness which marked our reaction to the onset of the war was the result of the prevailing attitude.

Most of the peoples of western civilization regarded war with justifiable loathing. They tried to guard against it. They had taken political measures to ward off possible involvement in future conflicts. In their sincere reaction against the horror of 1914-1918, they tried to isolate war from the rest of modern civilization and do away with it. This attitude in itself represents the problem. Historical problems cannot be so externalized that they can be broken down into meaningless unrelated compartments—one called politics, another called commerce, and a third called war.

Because the peoples of western civilization had a perverted perspective of their own culture, they were spiritually unprepared to face the crisis symptomized by the war. They could sense the war's coming. They could loathe all it stood for. But on the basis of their cultural dislocation they could try to

ward it off only by appeasement or by straddling its issues. When circumstances forced participation, they were left too often with a sense of tragic fatality. They were caught in a situation which they could not avoid, yet which still did not make sense in a fundamental way. History had caught up with those who had externalized it.

With the war a reality, the problem still continues. It is enormously difficult after a war to make a sensible settlement that defies complete reduction to a pattern of external cause and effect. The world tends to think of the settlement in terms of future restraint of aggressor nations, more effective international collaboration of some kind, and restoration of devastated areas. These are important considerations, but in their ordinary context they are this decade's parallel to the settlement of 1919. The cultural problem is not understood, and man's hope for the future is pinned upon such political machinery as he can devise, while economic factors are sugar-coated. With the cultural problem ignored, enlightened self-interest is the only possible policy for nations, and internal disagreements concern only the direction of the enlightenment.

Ignoring the cultural problem, we tend to regard war as a misfortune. We may feel it necessary to prosecute the war resolutely, but even then it is chiefly a misfortune to be endured. We are victims of external events. With this attitude it is all too easy for us to feel that the war, like any other storm, will pass. New grass will grow again in the devastated fields of Russia. New houses will be built in Coventry, and Rotterdam, and Stalingrad, and Cologne. Children will play carelessly in the streets once more. And we will be able to take a drive in our cars whenever we feel like it. True, many faces will not be seen again. There will be millions of marked and more millions of unmarked graves in all continents. Many people will have suffered such personal injury that their lives will be permanently blighted. Yet for thousands of years the world has shown an infinite capacity for absorbing suffering and death. It has been repeatedly able to raise monuments to its dead, arrange some form of bare minimum subsistence for its

injured, and then go its way. In other words, it is very easy for us to think of these war years as a bad dream from which we will presently awaken.

This all too common attitude toward problems does not augur well for the future. Yet it is the logical outgrowth of the direction in which western culture has evolved. In a society which views intellectual processes as primarily a searching for external facts in order to control them, the intellectual problem posed by the war results in frustration. In a society which views political activity as a service in behalf of economic enterprise, whether private or communal, the political problem posed by the war is insoluble. In a society which regards morality as a code that men adjust to situations in order to avoid trouble, the moral problem posed by the war leads to despair.

The cultural problem, brought to a focus by the war, is illumined by the evolution of the interpretation and scope of the Harrington-Locke formula and the doctrine of economic man. Although his culture promises him intellectual, political, and moral mastery if he conforms to the rules of his society, the average man becomes the pawn of historical processes. On one hand he is tantalized by the possibility of rising to the top of the ladder, and on the other hand he knows that few make that ascent. He knows also in his own heart, despite popular teaching to the contrary, that lack of sufficient energy or intelligence is not the basic cause for his failure. The average man, whether or not he admits the fact even to himself, becomes spiritually disinherited in his own home.

He lives in an industrial world in which technological processes of marvelous ingenuity are available to supply his wants. The machinery involved in these processes, however, threatens the meaning of his existence even while the products, if he can pay for them, meet his physical needs more adequately than those of any previous generation. The result is frustration. A life's vocation is gauged more by the salary attached to a position than by the satisfaction obtained in

doing the work, and there is always the possibility that there will be no more work to do. Unemployment is the continual specter at the feast. Education, which in theory promises the average man the world through knowledge, in practice offers him either technical skills for which there may be no market, or cultural knowledge that is not considered useful by the world. Traditional religion, which in theory offers him a creative synthesis of life's complexities, in practice presents either a dull conventionality that may drug him into insensitivity or an ethical zeal for reform that too often is irrelevant to his problem.

Through the collapse of Economic Man [says Peter Drucker] the individual is deprived of his social order and his world of rational existence. He can no longer explain or understand his existence as rationally correlated and co-ordinated to the world in which he lives; nor can he co-ordinate the world and social reality to his existence. The function of the individual in society has become entirely irrational and senseless. Man is isolated within a tremendous machine, the purpose and meaning of which he does not accept and cannot translate in terms of his experience. Society ceases to be a community of individuals bound together by a common purpose, and becomes a chaotic hubbub of purposeless isolated monads.¹

The Concern of the Church

It is precisely because of its effect upon people that the Christian Church must be profoundly concerned over contemporary culture. The mission of Christianity to men and women must be to them as they are—to social beings in an industrial era in which economic considerations have become paramount and in which personality has largely lost its meaning except as a luxury study for privileged introverts. The mission of Christianity is to men and women whose spiritual anchors are in shifting sands, and who consequently are at the mercy of every storm that blows.

The war may have come as a great storm to a world that

¹Drucker, Peter, *op. cit.*, p. 55.

was largely unprepared. But the analogy is not accurate, because, while catastrophes of nature are as external as anything can be, the events of history are not. History is the context in which we live our lives. Its events always meet us in two ways: we share responsibility for them and are victims of them at the same time. In both respects men's lives are affected, whether or not they realize the significance of what is happening. In the light of Christian insights, the impact of events is seen to be more tragic, because the prevailing cultural attitude, which all of us share to some extent, blinds us to our real relationship to them.

The situation confronting the Christian Church is not easy. It, too, is tied to our political economy through its investments and its dependence on big givers for the support of much of its work. Its clergy, like its laity, are products of history, conditioned by the same forces that condition the whole modern world. Because the Christian churches are great institutions with a stake in things as they are, the mission of Christianity—to reorient culture generation after generation—is always ideologically threatened. It is natural to rationalize, and hence the churches, instead of criticizing a system that impersonally makes and breaks the men whom they serve, are often perverted; for instance, it may be by a vague desire to sublimate the profit motive in order to secure a larger share in the proceeds for religious purposes. Criticism of society, therefore, can always be made to appear as the threat of a misguided idealism to take the bread and butter out of the mouths of hard-working clergymen, hospital staffs, teachers and social workers, the beneficiaries of insurance companies, private pensioners of all sorts, and the poor and the needy.

In a letter to the editor of *The Atlantic*, Judge Frank G. Tyrrell of Los Angeles makes the following pertinent criticism of the churches:²

No, the "higher way of life" never has been achieved, and never will be, till Christians accept and make their own the major

²*The Atlantic*, June, 1942.

purpose of Christ, the making of men. And men are made or marred, not in the sanctuary, at the baptismal font, or by preaching, but in the hurly-burly of industry and business. Because the Church has always permitted the reign of the profit motive, never daring to insist that the touchstone of permissible practice is its effect upon human bodies and souls, Christianity has stopped short of the way of life in Christ, and, obvious though it is, failed to achieve the divine purpose.

Because of its mission to men, the Christian Church must be profoundly concerned over contemporary culture. Where prevailing cultural emphases contradict the insights of the Gospel, the Church's effectiveness is threatened unless there is a sincere awareness that it, too, like any other historical institution, may be influenced by those cultural emphases. The Church always stands in a double relationship to history, and it neglects either aspect of its existence at its peril. . . .

Regardless of theological opinions, the Christian Church is an historical institution, or, rather, it is a collection of somewhat vaguely related historical institutions. It is made up of men, directed by men, and it evolves as society evolves. The emphases of one age seem incomprehensible to a later age. When it is debating and deciding its own policies and programs, it is working politically within itself. The differences of church government are like the varieties of secular government, and, while ethical standards are presumably higher in church affairs, the processes involved are just as susceptible to politics as are those of any other body. However, any group of men organized for any purpose can work out its policies and programs only in a political way. Awareness of this, on one hand, should counter the popular criticism that the churches' legislative activity moves no more surely than that of secular bodies—what else should one expect of a body of men acting politically? On the other hand, the churches should apply the criticism to themselves—it is a denial of all claims to infallibility or special virtue.

The Church, however, is not only a collection of historical institutions; it also transcends history. Its transcendence con-

sists not in its institutional life, but in its mission—the propagation of the Gospel to men and women who need it, age after age. While the machinery for dissemination and the organization of the institutions evolve as history moves on and cultural emphases change, the Gospel remains the same, because the basic need of men is fundamentally the same.

The philosophical problem of time comes to a focus in the life of the Church. The perennial tendency of human pride to confuse succession and duration is demonstrated by the desire of one group to modernize the Gospel and of another to serve the transcendent institution. The result of the confusion is to make the work of the churches irrelevant to the real needs of men. In one case there is confusion of the position from which culture may be given valid criticism—the insights of the Gospel. In the other case the meaningfulness of the Church's criticism is destroyed if its institutional life is regarded as *sui generis*.

If its witness to the Gospel is to be vital, the Christian Church must comprehend the meaning of the cultural dislocation even in the areas in which it is involved. Then it can present the insights of the Gospel to a world which needs them desperately. The late Archbishop of Canterbury has pointed out that the dominant strain in modern Christianity has been to proclaim "that Christianity enables us to 'make sense' of the world with the meaning, 'show that it is sense.'" Underlying that approach was the premise that the whole world, including the institutional life of the Church itself, was ordered by God, and, hence, while certain elements within culture could be criticized, the human problem as a whole could not be appreciated. "We must still claim that Christianity enables us to 'make sense' of the world," the Archbishop goes on,³ "not meaning that we can show that it is sense, but with the more literal and radical meaning of making into sense what, till it is transformed, is largely nonsense—a disordered chaos waiting for the spirit of God to give it shape."

³"What Christians Stand for in the Secular World," *Christian News Letter*, Supplement No. 198, December 29, 1943.

The Lesson of the Christian Gospel

The Gospel is directed to men who live in a real world in which certain activities that are natural are always being magnified out of all proportions. Political activity, under any form, is the means whereby a group of people achieve a relative co-operation in the field of social intercourse. When political activity, however, is subject to criticism only on the basis of the efficiency of its service to economic forces, groups come into conflict with other groups that have the same general purposes. The field of conflict is a great area of political activity in which war is the final and most coercive form. Criticism of political activity from the viewpoint of abstract ideals of justice and charity may provide some limitation to the goals sought and the measures used, but such criticism is in itself limited by the fact that it is seldom sufficiently penetrating, and its authority is not generally accepted. Economic activity is the means through which a group of people achieve a kind of community in which goods and services are produced and distributed, and wealth created and consumed. Because economic activity is such an important part of practical living, political activity must serve economic interests, although not exclusively. Again, criticism from the standpoint of abstract ideals may provide some limitations to economic activity, but the criticism is in itself limited in pertinence. The insights of the Gospel are relevant because they comprehend both the naturalness and the exaggeration of these activities.

Education normally is that activity which the community undertakes to insure that people will be equipped adequately to play whatever part the particular economic situation assigns to them, and to fill whatever political role the political situation requires. Inasmuch as the community that is engaged in this political and economic activity supports education, it is not to be expected that the educational processes will provide fundamental corrective criticism. The insights of the Christian Gospel are aware of this and allow for it. Religious institutions are similarly supported by the community (actu-

ally supported by fragments of it and tolerated by the community as a whole) in order to provide a spiritual cohesion for its fabric with its theoretical ideals and moral sanctions. The insights of the Christian Gospel do not expect institutions to step out of their historical setting.

The insights of the Christian Gospel are realistic enough to see that the nature and goal of the political economy form the milieu in which Christians live, and that this economy forms their minds, influences their attitudes, and, to a large extent, conditions their lives. Yet to the extent that the Gospel is vitally presented, there is a severe tension between its idea of individual and social life and the prevailing culture. This is an enduring aspect of the relation of the Gospel to men; it has always been true, and it always will be. The Christian concept of human life as sonship to God, reflected in a consciousness of brotherhood with other men, is impossible of attainment by political and economic methods. The realities of any system, however, present practical contradictions to the Gospel ideal.

It is obvious that some situations are more conducive to the Christian consciousness than are others. Because both the government of the United States and the government of Nazi Germany must necessarily conform to the nature of economic activity, the two are not interchangeable; there is a distinction between them concerning their social climate. There are differences among co-operative systems, collectivistic ones, competitive free enterprise, and feudal agrarianism even though they all conform to the nature of economic activity. The spiritual capacity of man is not likely to develop so fully under a repressive political economy as under a freer one. The insights of the Gospel, while recognizing the general functions and limits of political and economic activity, know the value of freedom and democracy.

While there are great differences between various immediate goals and methods in the field of political economy, the fact remains that no system by itself can be either the end of man, or the chief means to that end. All systems are within

history. Of their own nature, systems of political economy must serve themselves, and be concerned with their own survival. All act as though they transcend history. All claim an unconditioned loyalty from their people. All are limited by the law of the obsolescence of human institutions; yet all are trying to defy the fact that they are somewhat out of date, and therefore they resist needed revisions. Because of these factors, while there are important discriminations to be made between systems of political economy, there is a tension between all of them and the insights of the Gospel. Man pins his faith to such human creations as political methods and economic organization at the peril of being unable to cope with basic cultural problems. Whether men are striving to perpetuate the status quo, or whether they are working for revision, they must realize that the contribution of politics and economics to the solution of fundamental problems is limited. It is the mission of the Christian Gospel to advance this realization.

The Christian Gospel is not utopian. It does not envision the creation, by either evolution or revolution, of a perfect world order in which all human problems shall be solved. Its mission has always been, and forever will be, to men who, within history, are subject to the limitations of history, and likely to make unfounded pretensions about their position in the universe. But Christianity is not defeatist, because it does not expect the fulfillment of all human possibilities and the elimination of all individual and social evil within any possible historic development. On the other hand, it has a direct and positive interest in human efforts to improve the situation in which men live. To the modern world, with its intensified cultural dislocation brought about by technological advance and focused by the war, the Christian Gospel has a lot to say. While it can have no political, economic, or social program of its own to offer, and must remain in judgment upon all human achievements in community living, its judgment is not unsympathetic.

Christian insights, based upon the greatest possible realism,

are actually of profound assistance in building a better world within history, even though no conceivable better world can be the consummation of history. Christianity has been and can still be a positive force for political, economic, and social good, because, to the extent that it is understood and appreciated, it requires men to recognize that social achievements are made only by compromise, and therefore are only tentative and subject to continual revision as circumstances change and as the social conscience is sharpened.

Christianity in this field first of all serves man's need for a fluid and dynamic social situation. Any attempt to strait-jacket man's growth corrupts his life. Christianity serves the purpose of pointing out continually that sin is a positive force in every social development as also is good will. The Gospel is the antidote to the self-righteousness in which every relatively permanent social institution wraps itself in order to insure its own continuance. We know, for instance, that the expression, "The American Way of Life," may be used frequently as a mask behind which sinister influences operate. But if we took a sampling of a fair cross-section of the people, we should find a high measure of agreement in generalities as to what The American Way of Life is, and this agreement would be, on the whole, relatively altruistic. Because Christian insights, while recognizing the special pleading so often behind the expression, would not condemn The American Way of Life out of hand, the influence of Christianity can be positive as well as negative. It can lead men not only to discover the nature of the more obvious abuses, but also to realize that compromise and contradiction and sin are present in the altruistic generalities upon which so many would agree. Therefore, Christian insights can contribute fluidity and force to The American Way of Life, so that it will not be regarded as a gift of the gods so perfectly actualized in history that it must never be touched. In the light of the Gospel, the sentiments of the military heroes portrayed in certain recent advertisements, who do not want anything ever changed back home, are not only ridiculous but evil.

Christianity also exposes the illusory nature of the common conception of progress. Growth and change inevitably take place even within a fairly rigid political economy, and even though frequently they are inadequate for the needs of the community. What the modern mind takes to be progress is more accurately a widening of the dimensions within which the individual and society can operate, with greater opportunities for good and evil. Aviation is one obvious example. The airplane, which binds the continents more closely together, can be used to facilitate errands either of peaceful commerce or of military destruction. It can make possible the saving of life by rushing serum quickly to places where it is needed, or it can make possible the indiscriminate slaughter of a bombing blitz. The freeing of the slaves in the American Civil War made it possible for Negroes to attain social status which previously had been denied them; it also made possible the peonage of the South and the congested Negro slums of northern cities. The advancement of medical science has done much to alleviate pain and to prolong the average life-expectancy. Yet it serves the self-sacrificing humanitarian and the antisocial criminal equally. The Christian penetration of the illusory nature of the popular concept of progress saves men, on one hand, from apathy (everything will take care of itself in the passage of time) and, on the other hand, from complacency (an unqualified faith in the value of their achievements).

The Christian Gospel also illumines the nature of the obstacles to a better world. These are, first of all, concrete problems, practical situations which must be understood and attacked in order to achieve long-range objectives. Secondly, they are symptoms of the perennial human situation. They are not only specific obstacles which must be overcome in the process of building an environment more conducive to the fundamental Christian consciousness, but also demonstrations, in line with the political, economic, and social circumstances of a particular age, of man's continual attempts to take advantage of his situation for his own ends.

The battle must be fought on both fronts at once. To attack the problem on the concrete level alone leads to the discouraging discovery that yesterday's victory is often today's defeat. To attack it on the theological level alone is to deal with irrelevant abstractions.

The Christian Gospel has an insight into the nature of citizenship. On one hand, it warns against pious citizenship which would use Christianity as an adjective. Orthodoxy in religion, even a thoroughly modern orthodoxy, is not a substitute for intelligent action. Neither is it a substitute for technical knowledge in the fields of economics, politics, and sociology. There is danger that some of our more sensitive leaders, alive as they are to many of the crying needs of the world, do their own cause a disservice when they use such terms as "Christian economics," "Christian sociology," as if the label "Christian" could make up for the absence of spade-work in these fields. There is no such thing, I believe, as Christian economics, or Christian politics, or Christian sociology, although this last term has a very special meaning for some church thinkers. There is no such thing as Christian social service. Christianity is something more than an attribute which can be applied to the various specialized aspects of human relations. Rather, it is inclusive, potentially embracing all human activities, serving as a motivating force for workers in various fields, and as a standard of judgment over their work.

On the other hand, the Gospel illumines the fact that we cannot escape the responsibilities of citizenship, even though we may ignore them. It is obvious that we are planning tomorrow's world in one way or another. Actually, we have two possible choices before us—either to meet problems in an aimless, helter-skelter way as they come along, or to face systematically recognizable issues. Over our heads hangs the judgment of God. We are not only building a world for ourselves, whether we plan intelligently or not, but also a world for our children, and for our brothers, whether they like it or not. The Christian Gospel will not let us escape from the

fact that what we do today has its results tomorrow; just as what we did yesterday contributed to today's confusion. It would be a healthy thing to ask ourselves, when we look at pictures of starving children and other atrocities of the war, whether we are aware that our American attitude in the thirties helped condemn these victims.

Christian Citizenship

There is a Christian vocation in citizenship. In all our relationships, business and social, private and public, we are all potentially the agents of Christ and the servants of the brotherhood of the sons of God. But this Christian vocation in citizenship, in a world in which professional skills have evolved and have their legitimate place, requires intelligence. No one can master all the skills which go into modern living, but there is no need that he do so. There is a need, however, that the man who is a Christian, as well as a citizen, make an effort to understand what makes the world go. It makes his own participation in its life more effective. The fact that we have evolved medical science to a high degree of proficiency does not make it unnecessary for the average man to learn hygiene and first aid. Rather, these layman's skills are to be encouraged, and the man who has mastered them is that much more useful. He is no longer as easy a victim to circumstance, and those who are with him at the time of an accident can profit by his knowledge. Furthermore, he knows and respects the expert work of the physician, yet has also a measure of critical judgment about his work.

Similarly, the Christian view of citizenship has a definite place for the layman's understanding of the various aspects of social mechanism. One does not become a professional economist by keeping up his knowledge of economics, but he has a measure of critical judgment over the economists. This is true in the related fields of politics and sociology. In a technical civilization, we can become the victims of the experts. The way to prevent being victimized is not to discard their skills as valueless, but to understand something about them.

This is particularly true in the social fields, where quacks abound, and where special interests mask their self-seeking by scientific jargon. After all, we are not protected in the political and economic aspects of living the way we are in the fields of health by state examiners who must pass upon physicians before they are permitted to practice.

Furthermore, in a democratic society, we are called upon to pass judgment at the polls upon what has been done in our name by our representatives. Whether we vote intelligently or unintelligently, whether we vote for known isolationists because we like their names, or because our grandfathers voted under the same party emblem, or whether we vote with discrimination for men whose views represent ours, our votes are still being counted, and we are at least going through the motions of being citizens. When we realize that just because we are Americans over twenty-one years of age, we have a role to play in politics, economics, and sociology, whether or not we understand anything about them, the importance of what we are doing should be apparent.

Because we are Christians as well as citizens, we are called upon to plan intelligently for a world which will foster more adequately the world-wide fellowship of the sons of God. We are living at one of the critical moments of human history when the parts we play as citizens have more obvious significance than in tranquil times. Under the pressure of war every aspect of our social existence has been twisted out of shape, and a rebound to its former position is impossible. Millions of young men have been mobilized into the armed services, and more millions into the nation's industrial army. Our national industrial plant has been increased immensely. Whatever we may think of the merits of a "cooling off" period, or a long armistice at the end of the war with a large American Army retained in service, it is obvious that the bulk of the industrial plant will no longer be devoted to making munitions of war. Millions of soldiers and sailors will be returned to civilian life to try to find jobs in a world which shows few signs of needing their services as the artisans of

peace. The use of the industrial plant is the concern not only of particular manufacturers, but of us all. The re-employment of service men is our common problem. The nature of the world for which we work as citizens, through our political activity in domestic affairs and through our mobilized public opinion in foreign policy, is our concern because we are Christians.

In the postwar era, the Christian whose sense of citizenship outreaches his national boundaries will find himself facing the problems of the reconstruction of devastated continents, the resettlement of millions of homeless people, and the providing of at least a minimum economic standard for whole nations. The problems of hatreds nurtured during the war years will be unsolved. Issues will remain before us of colonies, of economic imperialism, of racial minorities, of national boundaries, and the direction which international co-operation should take. Every major country will face the same problem we have, namely, that of transforming a war economy of accentuated industry and manpower shortage into a peacetime economy. While an American Christian will necessarily have an immediate concern for the welfare of his own country, he must have a broader view of life than the gentleman who said: "We are not fighting this war to give a quart of milk to every Hottentot." Even Hottentots are children of God.

If the war has taught us anything, it is that problems common to every land must be met along a common front. We can try to ignore the facts of historical development and attempt to excise the United States from the world's organic structure, or we can plan from the standpoint of economic and political realism. Our citizenship, however, can be intelligent only if we recognize that there are many strong divisive forces in the world. We still have with us the heritage of special interests, special classes, special privileges, special racial alignments. We also have with us the new crop of war-accentuated, if not war-born, cleavages, the results of cruelty, hatred, and bitterness. We need to be honest, without vindictiveness or sentimentality, in our recognition that Lidices

and the systematic dehumanization of whole peoples will not be forgotten overnight. At the same time we cannot punish whole nations without opening one wound while healing another. We need a sense of world citizenship to face these problems constructively. The Christian Gospel encourages such a widening of the horizons of our responsibility.

The exercise of citizenship is part of a general cultural picture. There is no reason to expect that even the most altruistic political activity at home or abroad will do much to solve these tremendous problems if the underlying cultural orientation remains unchanged. It is in this vital area that the Christian vocation in citizenship is emphasized. Just because a man is alive and a member of society, he is a citizen in some sense. If he accepts uncritically the cultural premises of this age, even the best exercise of citizenship will result in a perpetuation, although with perhaps some refinement, of the confusion underlying the depression and the war. The use of Christian insights will not solve the problems of the day, but it can lead to an honest facing of the fundamentals. At the least, if we place personality above things and man's divine relationship above his mastery of techniques, tomorrow's problems will not be merely extensions of today's.

Christianity in an Industrialized World

Finally, honesty realizes that machinery is here to stay. The mechanization of industry is increasing, and the next decades will see greater technological advance than anything we know now. From a Christian standpoint this trend by itself is good, all other things being equal. Anything which releases human beings from indefinitely extended concentration on the mere details of earning a livelihood will give them greater opportunities for constructive living. It makes all the difference in the world whether the industrial system is in a culture in which men are adjuncts to economic forces, or whether economics is relegated to a subservient place in a society designed to meet men's needs. It is man, rather than the machine he has built, who faces a moral and

spiritual problem in the present situation. Christianity is not concerned with mechanical engineering. It is concerned with mechanical engineers and with the fellowship of those who own and work the machines which they build. If the present system of mechanized industry hurts the individual and social life of men, it must stand under judgment. It is the duty of the Church to make that judgment. The Gospel provides the necessary insights.

Man by nature must be a worker. The system tends either to overwork him, forgetting that he is not only a worker but also a son of God, or to overlook the worker side of his personality altogether. The fact that he is a human being makes no difference at all. Because of its cultural premises, the industrial system today corrupts work, which itself is a natural function, and makes it serve ignoble ends, either by using it to challenge the desire for personal gain or by threatening loss of livelihood. It confuses the meaning of work by making production seem more important than the welfare of either producers or consumers. The personalities of all men are affected by the confusion. The cash-value theory of work brings corruption. When brother can eat only at the expense of brother, a false sense of social values is fostered.

The Christian intelligence adds discriminations of its own to secular knowledge. To the economist's discovery of functional difficulties in modern political economy, the Christian understanding adds the knowledge that any system reversing the relationship of men and things could hardly be expected to function adequately. To the political scientist's awareness of potential revolutionary protest, it adds the thought that there is a force in human nature which reacts to pressure in such a way that the demonic cause tends to produce the demonic result. To the sociologist's statistics on mental health and delinquency, it adds the knowledge that to make man's basic relationships almost impossible of realization is to threaten the meaning of personality.

A profound Christian realism should not be disturbed over such relatively academic questions as which is master, man or

the machine. Such questions are raised only because of the distorted orientation of the political economy in which both men and machines are placed. If the machine appears to be master in industrial life, it is because of the acceptance by men of the doctrine of economic man and its resulting values. Christianity, however, should be deeply disturbed by attempts to revise political and economic relationships which do not really attack the cultural problem. The basic problems will remain, perhaps in different form, if remedies are sought only on the level of a more just method of organization and distribution.

A profound Christian insight realizes that all systems are operated for man and by man; that changes in systems, and in ideology, are necessary from time to time; and that, under given historical conditions, one system may be immeasurably preferable to another. The redemption of Israel, however, will not be consummated by the development of a more adequate political economy which wastes less manpower. It is within the dialectical frame of the need for social change, balanced by the eternal judgment of God, that Christians face the problem of reorienting their culture. There is no doubt but that there is a crying need for such a reorientation, in terms of a world co-operative commonwealth in which men are valued as personalities and not just as economic factors; in which the machines may be used to serve men's needs so that work and leisure can be meaningful; in which the problems of international relations are transcended by common purpose; and in which the elemental human needs of men are taken for granted as social responsibilities. But no system of man's devising can be more than tentative when it comes to meeting this goal within history. While human society is the channel for man's aspirations, it is also a channel for his sin. It is with this awareness that Christianity inspires men to remove the stumbling blocks in the way.

The Christian faith has no blueprint of tomorrow's world. The job of devising blueprints belongs to technical specialists. But the Christian Church, rising to the opportunity of the

age of transition through which we are passing, can offer an humble and critical judgment of the needs of the times. On the basis of its fundamental understanding of the true relationships of man, it can point significant directions for the future. It can inspire those who even today are building tomorrow's world to turn away from the outworn legacy of James Harrington and John Locke, which has served its purpose, and from the doctrine of economic man, toward a new orientation in which man's personality is respected more adequately. It can continually remind men that peace and brotherhood may be approached only through regarding all men as sons of a common Father and brothers of each other. Finally, it can present to the world the redemption of the Cross of Jesus Christ, through which men find the mercy and love of God to complete their inadequate strivings and to forgive their sinful pretensions.

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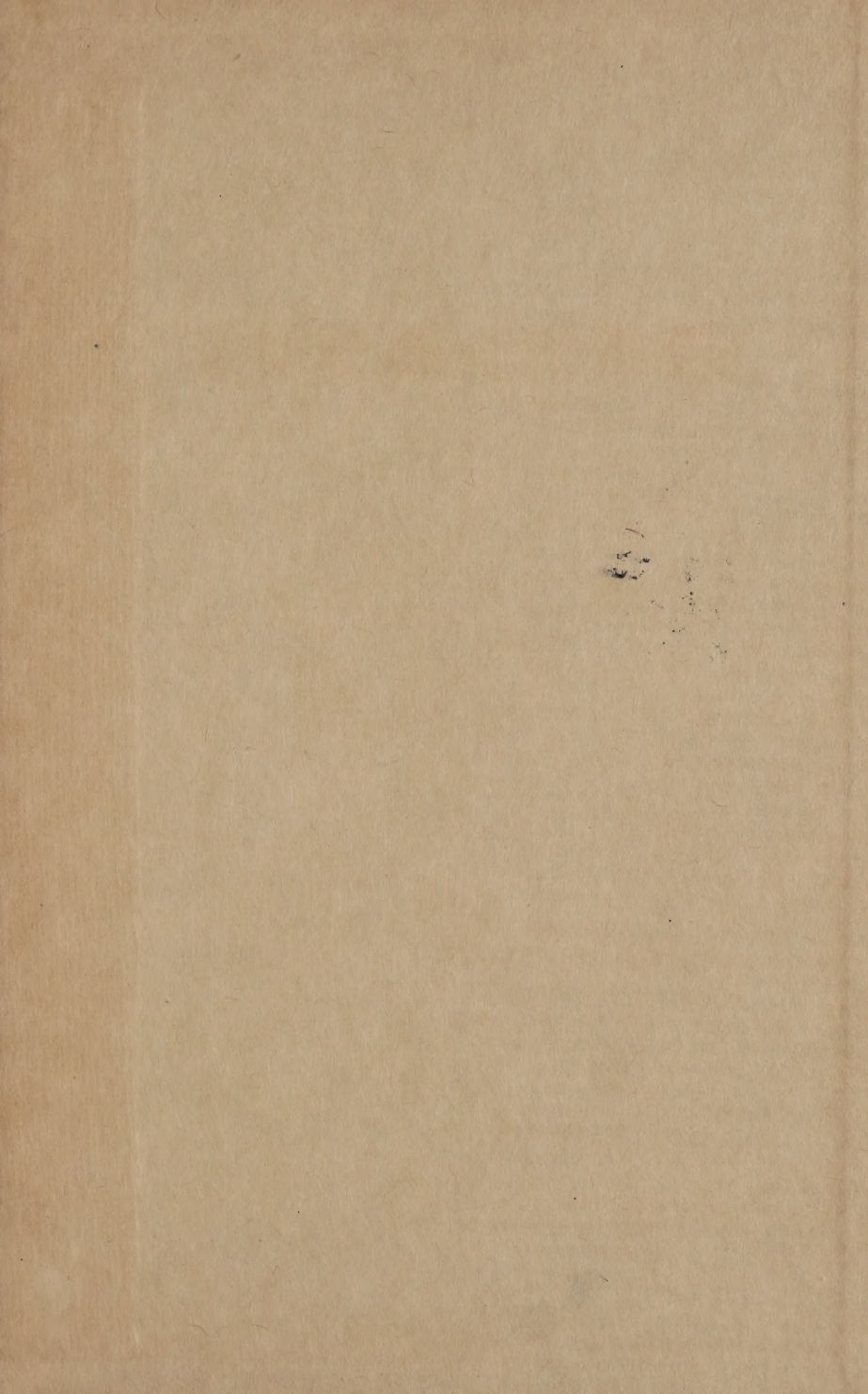
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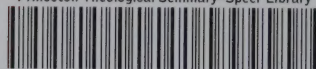




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